

<b>Subject:</b>	Rossendale Council and Neighbourhood Forum Grants 2017/18 and 2018/19	<b>Status:</b>	For Publication
<b>Report to:</b>	Cabinet	<b>Date:</b>	30 November 2016
<b>Report of:</b>	Director of Business	<b>Portfolio Holder:</b>	Leader of the Council and Portfolio Holder for regeneration and Leisure
<b>Key Decision:</b>	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	<b>General Exception</b>	<input type="checkbox"/> <b>Special Urgency</b> <input type="checkbox"/>
<b>Equality Impact Assessment:</b>	Required:	Yes	Attached: Yes
<b>Biodiversity Impact Assessment</b>	Required:	No	Attached: No
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<b>1.</b>	<b>RECOMMENDATION(S)</b>
1.1	That Cabinet supports the allocation of up to £62,000 funding each year in 2017/18 and 2018/19 for Rossendale Council Grants and Neighbourhood Forum Grants.
1.2	That Cabinet supports the commencement of a grants application process for the allocation of 2 year Rossendale Council Grants following the principles and criteria previously agreed in 2014 – targeted funding to support financial inclusion services.
1.3	That as part of the grant monitoring process, recipients of Rossendale Council Grants attend the Council's Overview and Scrutiny Committee to report on outcomes delivered through the grant.
1.4	All future minor amendments to the grants process to be delegated to the Director of Business in consultation with the Portfolio Holder.

## 2. PURPOSE OF REPORT

- 2.1 To make recommendations for the continuation and allocation of Rossendale Council grants and Neighbourhood Forum Grants in 2017-2018 and 2018-2019. These grants sit as part of a wider range of regular and one off awards. The scope of this report is the Rossendale Council Grants and Neighbourhood Forum Grants only.

## 3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **Regenerating Rossendale:** This priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting sustainable investment, promoting Rossendale, as well as working as an enabler to promote the physical regeneration of Rossendale.
  - **Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.

## 4. RISK ASSESSMENT IMPLICATIONS

- 4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- 4.2 Not issuing grant funding via robust, open and transparent criteria could open the process to challenge by those making or wishing to make an application.

- 4.3 The grant funding criteria is designed to ensure that councillors have information which will support responsible financial management through the allocation of grant funding against the Council's agreed criteria of allocating target funding to support financial inclusion services.
- 4.4 Rossendale Council Grants are currently allocated on an open competition basis against criteria set by Council. This is proposed to continue. However two high profile organisations, Credit Union and Citizens Advice, currently are the sole beneficiaries. Should the funding discontinue or be allocated in a competitive process to other organisations this could have significant implications to the ability of those organisations to offer services in Rossendale.

## **5. BACKGROUND AND OPTIONS**

5.1 The Council operates Rossendale Council Grants, Neighbourhood Forum Grants and Rossendale Community Fund as borough wide grants. The Community Fund process was agreed in July 2015 and so is not within the scope of this report.

5.2 Further funding of up to £20,000 is also disbursed to support and promote the borough and key events across Rossendale e.g. Christmas markets and light switch on events, 60's Festival etc. The process and criteria used for delivering this is attached for your reference in Appendix 2

5.3 In addition the Council and departments may agree a range of one off or regular grant payments to other organisations where departmental budgets allow. Where relevant these are dealt with on a case by case basis, via Council approval processes and so are not covered by this report. A strategic review of all funds allocated to external organisations is ongoing as part of the Council's budget setting processes.

5.4 The background to Rossendale Council and Neighbourhood Forum grants was presented to Cabinet in November 2014 and March 2015. In November 2014 Cabinet agreed to allocate £60,000 in 2015/16 and 2016/17 for Rossendale Council Grants and Neighbourhood Forum Grants. This is currently split £47,000 to Rossendale Council Grants and £13,000 to Neighbourhood Forum Grants. It is proposed to transfer £2,000 from the regeneration budget in order to enable the Neighbourhood Forum Grants to increase to a total of £15,000 for 2017/18 and 18/19.

### **Rossendale Council Grants**

A grant allocation process and criteria was approved by Cabinet for the allocation of Rossendale Council Grants. The application process targeted funding on financial inclusion services whilst retaining the principles of an open, robust and transparent process. The criteria for applications included:

- Applicants must be Rossendale based constituted third sector organisations, or third sector organisations that carry out work in Rossendale, that provide services that facilitate financial inclusion.
- Applicants must be able to demonstrate a track record of working in partnership to deliver services to Rossendale residents which support the aims identified by the Rossendale Financial Inclusion Group which are – 'To improve financial inclusion in the Borough through a more co-ordinated approach to debt recovery, access to welfare benefits, access to financial services, prevention of problem debt and the provision of money advice'.
- Applicants must have demonstrable experience of working with Rossendale residents

and have local knowledge of the issues facing the different communities within the Borough.

- 5.6 Two applications were received - from Rossendale Citizens Advice Bureau (now Citizens Advice) and Rossendale Credit Unions. Both applications met the stated criteria. Citizen's Advice was subsequently awarded a grant of £35,000 each year for 2 years towards their core service and Credit Unions a grant of £12,000 each year towards the costs associated with a development worker to promote the service and encourage new members. Support in kind is also provided to Citizen's Advice through the provision of accommodation at Stubbylee Hall.
- 5.7 The application process for Rossendale Council Grants requires applicants to specify the outcomes that will be delivered in support of financial inclusion. These are subsequently incorporated into a legally binding agreement. Annual monitoring information is required including evidence of outcomes and a progress update. In 2015/16 Citizen's Advice advised 2,509 clients working in 8 locations. Financial outcomes included an income gain of £2,168,006, £611,238 in debts written off and £637,061 in repayments rescheduled. They also saved £100,209 in local authority homelessness and benefits. The Credit Unions increased their membership from 1352 to 1552 in 2015/16, an increase of 15%. They granted 524 loans with a total loan value of £438,048 and increased members share balance from £918,890 to £923,121.
- 5.8 Citizen's Advice and the Credit Unions have made changes to ensure they are more sustainable for the future. Rossendale Citizens Advice has merged with Hyndburn Citizens Advice and they now have a joint chief officer, administration and finance although local delivery of the service in Rossendale remains unaffected. First Choice Credit Union moved their Haslingden premises in August 2015 to a more central and prominent location on Manchester Road which has increased their visibility on the high street. They have also expanded their services into Accrington, Preston and Clitheroe and they work with businesses, housing associations and schools to promote their services. Both organisations work in partnership with each other and many other organisations across the Borough to deliver services which promote financial inclusion.
- 5.9 Outcome reporting is incorporated into the Council's Covalent and general business reporting processes. The results of monitoring are summarised in Covalent. It is also proposed that recipients of Rossendale Council Grants attend the Council's Overview and Scrutiny Committee to report on outcomes delivered through the grant.

#### Neighbourhood Forum Grants

- 5.10 Neighbourhood Forum Grants of up to £500 maximum are available on an ongoing basis. Neighbourhood Forums determine their own grants in line with standard criteria. 50 local community groups and organisations received Neighbourhood Forum grants in 2015/16. This ranged from support for Bacup based members of the Red Rose Rafting Team to participate in the European Championships, representing Great Britain, to a grant to Edgeside and District Community Partnership for Kids Rock sessions for pre-school children and their carers.
- 5.11 Neighbourhood Forum grants are operated on the principle that any underspend is carried forward to be available for the following year.

#### Future Grants

- 5.12 As the grant allocations were for 2 years up to 2016/17 it is necessary to review the grants

allocation periodically. As part of this we will be looking more broadly at the approach we use for allocating funds to external organisations, seeking to strengthen transparency, accountability, outputs and the ability of partners to leverage external investment.

5.13 It is proposed that:

- Cabinet supports the slightly increased allocation of up to £62,000 for Rossendale Council Grants and Neighbourhood Forum Grants for 2017-18 and 2018-19.
- Cabinet supports the commencement of an open grants application process for the allocation of 2 year Rossendale Council Grants following the same principles agreed in 2014 – targeted funding to support financial inclusion services, as attached at Appendix 3.
- The same criteria and application form is used for the application process. Applications for Rossendale Council Grants will be invited from Thursday 8 December with a closing date of Friday January 6<sup>th</sup>.
- Responsibility for assessing the completed applications is delegated to officers in consultation with the Portfolio holder and the Council's Grants Advisory Group.
- An update on the grants awarded will be provided to Cabinet in March 2017 as part of the Regeneration Update report.
- The current application and decision making process for allocating Neighbourhood Forum Grants will continue.

5.14 The recommendations are set out in section 1 of this report.

#### **COMMENTS FROM STATUTORY OFFICERS:**

#### **6. SECTION 151 OFFICER**

6.1 Financial Implications are noted in the report.

#### **7. MONITORING OFFICER**

7.1 All relevant comments are contained in the body of the report.

#### **8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT**

8.1 Consultation meetings were held with both current recipients of Rossendale Council Grant funding in October 2016. Both organisations continue to provide much needed services at a time of changes to welfare benefits and economic austerity and uncertainty. Both organisations highlighted that the Rossendale Council Grant acts as core funding and can be used as match funding which enables them to leverage in significant funds from elsewhere, enabling them to deliver the overall outcomes described above.

8.2 The majority of people who contact Citizens Advice are seeking advice and support in relation to welfare benefits and reforms and debt. The Credit Unions provide an alternative to high street lenders who often charge very high interest rates, and as they will work with people who have poor credit ratings, they offer an important alternative to doorstep lenders and loan sharks.

8.3 However, there may be other organisations able to provide equivalent or better support and outcomes. As such the grants application process and call for applications will be published on line, on the RBC and Rossendale News websites and circulated to stakeholder mailing lists.

8.4 It is important to highlight that the current model of open applications could result in the

withdrawal or part funding should other bidders be successful. However, it is proposed that the assessment criteria used will ensure that those organisations best able to deliver both in and for Rossendale residents will be successful.

8.5 The continued provision of Neighbourhood Forum grants provides an easy to access, vital funding opportunity for local groups to enable them to deliver community projects for the benefit of Rossendale residents.

8.6 Equality Impact Assessment

It is envisaged that the proposed allocation of Rossendale Council Grant funding for financial inclusion services will enable services to be provided which help to maintain services at their current level and, therefore, there will not be any negative or disproportionate impact on any protected equality groups as a result of implementing this policy decision.

8.7 Neighbourhood Forum grants are not specifically targeted at any one specific protected equality group and therefore any changes in funding will not have a significant disproportionate impact in any protected equality groups. However, the proposed allocation of funding will enable the Neighbourhood Forums to continue to offer grant funding at slightly increased levels.

**9. CONCLUSION**

9.1 Given the savings challenge which faces Rossendale Borough Council, it continues to be necessary to review the amount of grant funding the Council provides to local community groups and organisations. Rossendale Council Grants and Neighbourhood Forum Grants have been reduced over recent years and are currently at less than half the level of 2013/14. Demand for financial inclusion services is increasing and the proposed allocation would enable the continuation of grants to support financial inclusion services and Neighbourhood Forums.

9.2 A two year funding agreement will enable Citizen’s Advice, the Credit Unions and Neighbourhood Forums to have some continuity and to be able to forward plan in challenging financial times.

**Background Papers**

Document	Place of Inspection
Rossendale Council and Neighbourhood Forum Grants 2015/16 and 2016/17	<a href="http://www.rossendale.gov.uk">www.rossendale.gov.uk</a>
Allocation of Rossendale Council and Neighbourhood Forum Grants 2015/16 and 2016/17	<a href="http://www.rossendale.gov.uk">www.rossendale.gov.uk</a>
Appendix 1 Equality Impact Assessment	Attached
Appendix 2 Event Funding Criteria and Guidelines	Attached
Appendix 3 Rossendale Council Grant Application Process	Attached