

<b>Subject:</b>	Rossendale Council and Community Partnership Grants 2019/20 - 2021/22	<b>Status:</b>	For Publication
<b>Report to:</b>	Cabinet	<b>Date:</b>	28 November 2018
<b>Report of:</b>	Director of Communities	<b>Portfolio Holder:</b>	Health, Housing, Communities and Customer Service
<b>Key Decision:</b>	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <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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1.	<b>RECOMMENDATION(S)</b>
1.1	That Cabinet supports the allocation of up to £62,000 funding each year in 2019/20, 2020/21 and 2021/22 for Rossendale Council Grants and Community Partnership Grants.
1.2	That Cabinet supports the commencement of a grants application process for the allocation of up to 3 years Rossendale Council Grants following the principles and criteria previously agreed – 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 Communities 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 Community Partnership Grants in 2019/20 - 2021/22. 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 Community Partnership Grants only.

## 3. CORPORATE PRIORITIES

3.1 The matters discussed in this report impact directly on the following corporate priorities:

- **A connected and successful Rossendale that welcomes sustainable growth:** our priority is to ensure that we are well connected to our residents, key partners and stakeholders. We want to make the most of every pound we spend and we are always looking for new and innovative ways to make the resources we do have, work harder for us.
- **A proud, healthy and vibrant Rossendale:** our priority is to ensure that we are creating and maintaining a healthy and vibrant place for people to live and visit.

## 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 targeted 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, Community Partnership 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 The background to Rossendale Council and Community Partnership (formerly Neighbourhood Forum) grants was presented to Cabinet in November 2016. In November 2016 Cabinet agreed to allocate £62,000 in 2017/18 and 2018/19 for Rossendale Council Grants and Community Partnership Grants. This is currently split £47,000 to Rossendale Council Grants and £15,000 to Community Partnership Grants.

### **5.3 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 previously identified by the former 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.

5.4 Two applications were received - from Rossendale 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 developments to enable them to increase membership, savings accounts and loans and volunteers. Support in kind is also provided to Citizen's Advice through the provision of accommodation at Stubbylee Hall and to First Choice Credit Union through the provision of accommodation at Kay St in Rawtenstall.

5.5 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 2017/18 Citizen's Advice advised 2,994 clients. Financial outcomes included an income gain of £1,396,022, £431,590 in debts written off and £125,030 in repayments rescheduled. Their work also helps to reduce homelessness and non-payment of Council Tax. The Credit Unions increased their membership from 1552 to 1728 in 2016/17, an increase of 11%. They granted 539 loans with a total loan value of £850,000 and increased members share balance from £923,000 to £1,030,000. Some of this growth is through their partnership with FairQuid and local businesses who provide payroll deductions for their employees.

5.6 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 Rawtenstall office from Bacup Road to Kay Street and have seen an increase in footfall enquiries leading to new members. They have also expanded their services into Accrington, Preston and Clitheroe and they work with businesses, housing associations and schools to promote their services. They have also increased opening hours in both offices and are in the process of introducing a new App for members which will allow quick access to their accounts 24/7.

Both organisations work in partnership with each other and many other organisations across the Borough to deliver services which promote financial inclusion.

5.7 Both organisations attended the Council's Overview and Scrutiny Committee to report on outcomes delivered through the grant in February / March 2018.

#### 5.8 Community Partnership Grants

Community Partnership Grants of up to £500 maximum are available on an ongoing basis. Community Partnerships determine their own grants in line with standard criteria. 50 local community groups and organisations received Neighbourhood Forum grants in 2017/18. This ranged from support for new instruments and uniforms for members of Stacksteads Junior Brass Band to provision of craft materials for Made In Haslingden to make sensory items for local residents with dementia, poor mental health and learning disabilities.

#### 5.9 Future Grants

As the grant allocations were for 2 years up to 2018/19 it is necessary to review the grants allocation.

5.10 It is proposed that:

- Cabinet supports the continued allocation of up to £62,000 for Rossendale Council Grants and Community Partnership Grants for 2019/20 - 2021/22.
- Cabinet supports the commencement of an open grants application process for the allocation of 3 year Rossendale Council Grants following the same principles as previously – 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 6 December with a closing date of Monday January 7<sup>th</sup> 2019.
- 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 February 2019.
- The current application and decision making process for allocating Community Partnership Grants will continue.

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

**COMMENTS FROM STATUTORY OFFICERS:**

**6. SECTION 151 OFFICER**

6.1 Members must consider carefully the level of any future grant allocation in the context of, amongst other things: affordability, corporate priorities, its current c.£1m annual funding gap, available reserves and its statutory obligations.

**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 July and September 2018. 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. The rollout of Universal Credit in November is likely to increase demands on these services, as it has in other areas.

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 Community Partnership 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 Community Partnership 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 Community Partnerships to continue to offer grant funding at current 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 Community Partnership 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 Community Partnerships.
- 9.2 A three year funding agreement will enable Citizen's Advice, the Credit Unions and Community Partnerships 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 2017/18 and 2018/19	<a href="http://www.rossendale.gov.uk">www.rossendale.gov.uk</a>
Appendix 1 Equality Impact Assessment	Attached
Appendix 2 Rossendale Council Grant Application Process	Attached