

## Voluntary Sector Grants 2019-2022, Contingency Fund

### Report by Dr Mary Smith, Director Education, Communities and Economy

#### 1.0 Purpose of Report

This report is requesting Council to note the allocation of the voluntary sector Contingency Fund for 2019-2020.

#### 2.0 Background

- 2.1 On the 22 August 2018 Council approved a revised three years grants programme. The programme was informed by good practice from across Scotland, officers' experience of administering the existing grants programme and feedback from voluntary organisations.
- 2.2 Between August and October 2018 the grants programme was open for applications. A communication and engagement plan was delivered to ensure that as many groups as possible applied. As part of this process community groups were offered bespoke support to help them apply. Particular effort was made to ensure that groups that experience barriers were supported to apply.
- 2.3 The closing date for the new grants programme was 14 October 2018. After this the grant stream leads convened grants panels to assess the applications. All grants were scored carefully against the approved criteria. Where applicants applied for more than one grant, they were cross-referenced to ensure there was no duplication in their applications. Other due diligence checks were carried out such as assessing the level of funding the applicants already received from commissioned contracts from the Council.
- 2.4 Following the scoring process, a further report was submitted to Council on the 18 December 2018. The report provided a full breakdown of the three year grant allocations and recommended the introduction of a contingency fund on the following basis:

*“The small and large grants budget for 2019/20 has an unallocated budget of £58,241. This paper proposes that the unallocated budget will be kept as a contingency fund for voluntary groups to access in exceptional circumstances.*

*This contingency fund will help safeguard voluntary organisations in exceptional circumstances and help sustain a vibrant voluntary sector in Midlothian. The decrease of grant funding across Scotland has made it increasingly challenging for the voluntary sector. Voluntary organisation's income and reserves have reduced making them less financially resilient. Requests for support would be considered by all the grant stream leads on a case-by-case basis and recommendations will be made to the Council Leader and Deputy Leader.”*

At the Council meeting, elected members debated the proposal and decided that grant stream leads engage with organisations who may not receive the grant they expect and in addition, that the decision making in relation to the allocation of this contingency fund be delegated to the Director, Education, Communities and Economy.

### **3.0 Allocation of the Contingency Fund**

Following the Council meeting, grant stream leads assessed the applications and engaged with the organisations that had a particularly low level of award compared with the amount requested. Officers received representation from the voluntary organisations, and also collective representation from the Third Sector Interface. This representation has informed the allocation of the contingency fund.

In assessing the allocations, officers considered the following:

- Additional uplift will only be for 2019/20.
- Consideration be given to Large Grant applicants that received 30% or less of what they had applied for.
- This is not a new competitive grants process and consideration will only be given to applicants that received an award.
- Applicants that could have scored higher if they had applied to an alternative grants stream.
- The unintended consequence of the cumulative reduction in funding.
- Extent to which funding will further the outcomes of the grants programme.
- The positive impact the funding will make in reducing inequalities, promoting equalities and helping those most in need.

Following the assessment the following organisations will be offered an uplift for 2019/20:

- Lothian Veterans Centre
- Y2K
- Gorebridge Development Trust
- Beeslack Family Disabled Club

As part of the 2019/20 uplift organisations will need to agree to the terms of a community support agreement. This will include tailored support from officers to help the organisations develop a sustainable business model.

## 4.0 Report Implications

### 4.1 Resource

The total additional uplift is £52,557 as detailed below:

Organisation	2019/20 Requested	2019/20 Awarded	2019/20 Additional Uplift	2019/20 Total Award
Lothian Veterans Centre	£33,500	£10,000	£16,800	£26,800
Y2K	£33,500	£7,333	£19,467	£26,800
Gorebridge Development Trust	£33,000	£10,000	£6,500	£16,500
Beeslack Family Disabled Club	£23,589	£1,773	£9,790	£11,563

The remaining £5,684 will remain in the contingency fund. A full breakdown of the grant funding of the above organisations is included in **appendix 1** of this report.

### 4.2 Risk

The existing grants programme has been risk assessed and these risks are included in the Council's Risk Register. The new and existing grants programme is subject to internal audit that helps reduce the risks associated with managing the programme. The processes associated with awarding grants include robust risk assessment procedures to ensure compliance with 'Following the Public Pound' protocols.

The proposed contingency fund allocation will help mitigate against unintended consequence of a reduction in funding.

### 4.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

### 4.4 Key Priorities within the Single Midlothian Plan (SMP)

The SMP has directly informed the criteria of the revised three year grants programme. Applications benefiting from the contingency fund provision were assessed against the extent to which they further the priorities in the SMP.

### 4.5 Impact on Performance and Outcomes

By supporting the voluntary sector the grants recommendations will have a positive impact on the performance and outcomes of the council.

#### **4.6 Adopting a Preventative Approach**

The recommended grants will continue to support the voluntary sector to undertake preventative work by reducing inequalities, promoting healthy activities and supporting people into meaningful employment.

#### **4.7 Involving Communities and Other Stakeholders**

Between March and July 2018 a Grants Communication and Engagement plan was delivered to inform the new grants programme. The engagement included coverage in the local press, a social media campaign, an online survey, face-to-face meetings with elected members, senior officials, the Third Sector Interface, Community Councils and Community Planning Partners.

#### **4.8 Ensuring Equalities**

A full Integrated Impact Assessment was completed for the new grants programme. The assessment concluded that the revised three year grants programme will have a positive impact on equality groups across Midlothian. A further Integrated Impact Assessment on the proposed allocations report was presented to Council in December 2018. It is worth noting that the uplifts from the contingency fund were carefully assessed against the extent their programmes promote equalities.

#### **4.9 Supporting Sustainable Development**

The revised three year grants programme will help maintain a vibrant voluntary sector in Midlothian. With reductions in statutory funding, the voluntary sector has a key role in developing communities, reducing inequalities and supporting sustainable development.

### **5.0 Recommendations**

#### **5.1** It is recommended that Council notes:

- a. The financial uplifts to the four voluntary organisations for 2019-2020.
- b. That officers will work with these four organisation to support them to develop a sustainable business model beyond 2019/20.

**Date** 22 January 2019

**Report Contact:**  
Tel No. 0131 271 3338

Stephen Bermingham, Senior Communities Officer  
[stephen.bermingham@midlothian.gov.uk](mailto:stephen.bermingham@midlothian.gov.uk)

## Appendix 1: Breakdown of Contingency Grant Funding

Organisation	YEAR 1 Requested	YEAR 2 Requested	YEAR 3 Requested	Total Requested	AWARDED YEAR 1	AWARDED YEAR 2	AWARDED YEAR 3	Total Amount Awarded	Requested v Awarded	Amended Request v Awarded	Additional uplift in 2019/20	Total Award 2019/20
<i>Lothian Veterans Centre</i>	£33,500	£33,500	£33,500	£100,500	£10,000	£10,000	£10,000	£30,000	30%	80%	£16,800.00	£26,800.00
<i>Y2K</i>	£33,500	£33,500	£33,500	£100,500	£7,333	£7,333	£7,333	£22,000	22%	80%	£19,466.67	£26,800.00
<i>Gorebridge Development Trust</i>	£33,000	£33,000	£33,000	£99,000	£10,000	£10,000	£10,000	£30,000	30%	50%	£6,500	£16,500.00
<i>Beeslack Family Disabled Club</i>	£23,127	£23,589	£24,063	£70,779	£1,773	£1,773	£1,773	£5,320	8%	50%	£9,790.08	£11,563.42
											£52,556.75	