

Midlothian Council Grants – Transition Fund**Report by Eibhlin McHugh, Joint Director Health & Social Care****1 Purpose of Report**

The purpose of the report is to inform Council of the outcome of the application process to the Transition Fund and to seek approval for the allocation of funding.

2 Background

- 2.1 Council undertook a review of its grants schemes in 2014, culminating in a report to Council in June 2014 setting up a new grants system and a report in December 2014 accepting recommendations arising from the new system.

For some organisations, the changes had an immediate impact. To mitigate this, existing grant applicants were invited to apply to the Transition Fund, a short term non recurring funding element of the Voluntary Sector Grants Scheme approved by Council in June and December of 2014 as part of the new grants scheme. This fund was created to mitigate the risk of organisational closure or immediate redundancy as a result of the changes in criteria and level of resources in the new grants scheme.

Applicants to the fund were notified of the availability of the Transition Fund after the December Council meeting by letter and by publication in January of criteria and application form on the Council website.

Applications were invited between Monday 19 January 2015 and Monday 23 February 2015. Seven applications were received. The short window for applications was dictated by the immediate needs of organisations, whose staff were at risk of redundancy while alternative funding had been sought but not yet awarded to bridge the gap for a maximum period of 6 months. This meant that decisions were required before the end of the financial year on 31 March 2015.

The criteria for application was that the organisations already received or had applied for Council grant support and existing staff employed would as a result of the outcome of the grants awarding process be at risk of redundancy. The applicants had to demonstrate the requirement for short-term funding for essential staff costs and provide evidence both of existing staff facing redundancy and of the funding applications to other funding streams that had been submitted

2.2 Assessment and Scoring

The previously approved Council reports of June and December 2014 set out the processes for the new grants system, including the provision of a transition fund operating to mitigate the risk of immediate organisational closure and /or redundancy. Grant streams lead officers undertook the evaluation of applications. The result of scoring process is outlined in Appendix 1.

All but one of the applications is recommended for funding. The unsuccessful applicant did not meet the criteria as set out for the Transitional Fund. This organisation is also commissioned by the Council and receives substantial financial support through this mechanism. One project is not recommended for full funding as the application sought support for elements of running costs which were not eligible for the Transition Fund criteria.

Given the staffing implications, all projects have been written to providing them with details of the recommendations making clear that these are indicative and subject to ratification by Council.

3 Report Implications

3.1 Resource

There was £32,000 set aside as part of the grants review process for the transition fund, this is available as a one off amount for 2015/16. In addition to this we have been able to identify underspends within the 2014/15 Former Fairer Scotland Fund grant budget, this underspend is a combination of revised grant amounts being issued and also underspends being returned as a result of grant amounts not being fully utilised. The amount of these underspends total £46,000. It has been agreed that this money can be used to grant fund organisations through the transitions fund. Therefore there is now £78,000 available.

If agreement is given to make the payments noted in Appendix 1, it is proposed payments be made via Bankline, and will credit the recipients account on Friday 27 March.

3.2 Risk

The Grants Review Project identified a number of risks arising from the implementation of the review. This report seeks to mitigate the risks to voluntary organisations of closure or immediate redundancy arising from the changes in criteria and level of resources in the new grants scheme.

3.3 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

3.4 Key Priorities within the Single Midlothian Plan

The Grants Review sought to strengthen the alignment between the new grants streams and the areas of strategic focus in the Single Midlothian Plan.

3.5 Impact on Performance and Outcomes

The Grant Review set out desired outcomes for each grant stream. The report seeks to support voluntary sector organisations to access funding from external sources to continue and extend their work in Midlothian.

3.5 Adopting a Preventative Approach

The proposals in this report seek to prevent closure of voluntary organisations many of whom are contributing to preventative activities in communities.

3.6 Involving Communities and Other Stakeholders

The grants system review was undertaken jointly with representatives of the voluntary sector; however the voluntary sector withdrew from the process when the recommendations of the joint review were not accepted by Council in June 2014.

3.7 Ensuring Equalities

The equality impact of the grants review has previously been reported, this report provides short term assistance to mitigate the impact of reductions in funding and sustain services provided by voluntary groups to the community, including members of protected characteristics groups.

3.8 Supporting Sustainable Development

The intention of the transitions fund is to support organisations seeking alternative funding which should increase their chances of sustaining their operation, and as alternative funding is secured, re-balance their dependence on council funding. Some organisations have already begun to establish alternative income streams from social enterprise trading.

3.9 IT Issues

There are no IT issues arising from this report

4 Summary

The use of transitions support will enable groups where closures or redundancy are imminent to seek and secure alternative funding.

5 Recommendations

It is recommended that Council approve the allocation of funding to voluntary organisations as outlined in this report.

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Report Contact:

Name Alasdair Mathers Tel No 01312713438

alsadair.mathers@midlothian.gov.uk

Background Papers:

Transition Fund

Organisation	Is the project ending and has staff facing redundancy	Are you waiting to hear about other funding	Is it for short term funding	Is this for essential staff costs	Evidence of other funding applications	Score	Requested £	Awarded £	Running Total £
Mayfield and Easthouses Youth 2000 Project	3	3	3	3	3	15	13,200.00	13,200.00	13,200.00
Penicuik & District YMCA-YWCA	3	3	3	3	3	15	13,901.03	13,901.03	27,101.03
Rosewell Development Trust Community Company Ltd	3	2	3	3	2	13	14,972.00	14,972.00	42,073.03
Midlothian Foodbank	2	1	2	3	3	11	7,704.00	7,704.00	49,777.03
Children 1st	3	1	3	2	1	10	3,399.00	3,399.00	53,176.03
Volunteer Midlothian	1	1	3	1	1	7	9,142.92	9,142.92	62,318.95
Midlothian Sure Start (Dads and Grandparent Support)	1	1	1	1	1	5	35,298.00	0.00	62,318.95

97,616.95 62,318.95

Note

All questions scored between
1 and 3

Fund available

78,000.00

Proposed allocations

62,318.95

Unallocated

15,681.05