

Appendix 1

Review of Midlothian Council Grants Process: Implementation



December 2014

CONTENTS

1. Background: About the Grants Review	2
1.1 Summary of the Review process.....	2
1.2 Implementation.....	3
2. Grants Panels Overview	4
3. Issues.....	7
3.1 Ineligible applications	7
3.2 Over/under-subscription	8
3.3 Multiple applications from a single organisation	11
4. Impact Assessment	13
4.1 Geography	13
4.2 Equalities	13
5. Action plan to support organisations	14
Annex A: Equality Impact Assessment	15

1. Background: About the Grants Review

1.1 Summary of the Review process.

The Review of Midlothian Council Grants Process took place in 2014, as part of a wider review of the Council's Services to Communities. The Review focussed on re-examining the priority to be given to certain areas of activity, to align with the Council and Community Planning partners' overall priorities as set out in the Single Midlothian Plan and related documents. The review was also a basis on which to consider the potential for financial efficiencies and savings arising from this more focussed approach to addressing needs in Midlothian communities.

A project team and reference group were assembled. The team researched current grants across the Council, practice in other local authorities and externally available grants. A Co-Production Panel was set up comprising five voluntary sector representatives, a community planning partner representative (health) and a number of council officers. The role of the Panel was to review the research and develop proposals for replacement grant streams. The Panel was not required to recommend on any level of savings. The Panel conducted a stakeholder engagement exercise and developed a suite of recommendations. Corporate Management Team acknowledged these recommendations and separately considered proposals in relation to prospective financial savings.

Council considered the recommendations of both the Co-Production Panel and Corporate Management Team in June 2014. Council decided to implement the proposed changes to the grants process immediately to come into effect from 1 April 2015 and to apply savings over a 3 year period.

	Budget	Savings	% savings on original budget
2015/2016	£1,449,685	£50,000	3%
2016/2017	£1,199,279	£250,000	17%
2017/2018	£999,389	£200,000	13%

The new approach to grants comprises 5 grant streams:

- Poverty
- Developing Communities
- Employability
- Health & Physical Activity
- Council Building Rent

Small grants (up to £3000) would be agreed for the year 2015/16 and reviewed thereafter on an annual basis. Standard grants (£3001 or more) would be agreed for a 3-year period (2015/16 – 2017/18), and on a rolling three year basis thereafter.

The Council Building Rent stream recognises where payments are made as per existing lease agreements. A separate process is available for new applicants for council building rent, which is not described in this document, although it is factored into the assessment of grant application.

1.2 Implementation

Following Council's decision, changes to the process were put into place over the summer to enable bidding to take place from 1st September 2014. This included staff training, preparing the budget, finalising templates, updating the website etc.

A communications plan and action plan to support organisations were implemented including:

- Letters/phone calls to existing grant recipients.
- 106 people attended 10 briefing sessions held in Dalkeith and Penicuik.
- Emails to stakeholders including councillors and partners.
- Midlothian Voluntary Action emails and adverts/features in newsletter to their distribution list
- Midlothian Voluntary Action training sessions
- Midlothian Voluntary Action provided additional guidance on core costs and advice on application form completion to relevant organisations.
- Midlothian Voluntary Action provided tailored application templates to relevant organisations.
- Briefings for key groups such as community councils, Midlothian Financial Inclusion Network, Voluntary Sector Forum.
- Press releases to all local media.
- Adverts in Advertiser.
- Article in Midlothian News.
- Posters at council building receptions, libraries, sports centres, MVA office, community learning centres.
- Weekly reminder on Black Diamond radio.
- Information on MidTV screens at Buccleuch House and Lasswade Centre.
- Advert on web rotator on Council website front page. Briefing events added to website events calendar.
- Facebook and Twitter notifications about briefing events and countdown to bidding closing date.
- Detailed guidance was provided on the website, including guidance notes, the scoring sheets and a list of current grant applicants. Application forms could be downloaded from the website or paper copies ordered.

The bidding process was open from 1st September – 10th October 2014.

Grant panels met in October to assess all applications and to make recommendations. The programme provides for decisions by Council in December, thereby providing applicants with three months notice of any changes to grant award prior to the start date of the 1 April 2015. The detail of any required service level agreements could then established in January – March 2015.

2. Grants Panels Overview

Eight grant panels were set up to review applications for both small and standard grants to four grant streams (Employability, Poverty, Health & Physical Activity and Developing Communities).

The panels comprised Council Officers with attendance from a voluntary sector representative in an observing non-voting capacity, providing expert knowledge on the voluntary and third sector. In common with all other panel members the non-voting attendees were required to maintain confidentiality with respect to any discussions that took place within the scoring group, and agreed not to share the contents of discussions with others. Non-voting attendees were required to declare a conflict of interest when presented with a list of applications at the start of the meeting and withdraw from the meeting when such applications were presented; this equally applied to all scoring panel members.

Two scoring sheets were developed for the small and standard grants respectively; this template being available on the website for the information of grant applicants. Each application was scored on a range of 1-5 or 1-10 against each question. Table 1 details scoring criteria and questions.

Grants Criteria and Questions	Scoring Guide Small Grant	Scoring Guide Standard Grant
Focus on outcomes:		
<ul style="list-style-type: none"> How well does the application meet the outcomes of the fund? 	1 to 10	1 to 10
Outputs and activities:		
<ul style="list-style-type: none"> Are the outputs/activities clearly defined? 	1 to 5	1 to 10
<ul style="list-style-type: none"> Are there monitoring mechanisms in place? 	1 to 5	1 to 10
<ul style="list-style-type: none"> Is there a track record of delivery in Midlothian? 	1 to 5	<i>Not scored</i>
<ul style="list-style-type: none"> Overall does the application demonstrate an ability to meet the stated activities and outcomes? 	1 to 5	1 to 10
Justification of the need for the application		
<ul style="list-style-type: none"> How well has the application demonstrated evidence of need? 	1 to 10	1 to 10
<ul style="list-style-type: none"> How well will the application fill a gap in service provision or add value to existing services? 	<i>Not scored</i>	1 to 10
Preferred models of service delivery		
<ul style="list-style-type: none"> Does the project use capacity building or co-production models? 	1 to 5	1 to 5
<ul style="list-style-type: none"> Does the project demonstrate a preventative approach? 	1 to 5	1 to 5
<ul style="list-style-type: none"> Is the project accessible locally? Or alternative justification given 	1 to 10	1 to 10

Grants Criteria and Questions	Scoring Guide Small Grant	Scoring Guide Standard Grant
Value for money		
• Does this application represent value for money?	1 to 10	1 to 10
• Will this funding enable or add value to match funding or investment from other sources?	<i>Not scored</i>	1 to 5
Equalities		
<ul style="list-style-type: none"> How appropriate are the 3 activities to ensure that equalities groups are aware of and can access the service? (i.e. on the grounds of race, disability, sex, age (early years, young people and older people), sexual orientation, religion/belief, pregnancy/maternity, gender reassignment, marriage/civil partnership, poverty). 	1 to 5	1 to 10
Partnership		
<ul style="list-style-type: none"> How well has the application demonstrated the value of existing or new partnerships with other services or agencies? 	1 to 5	1 to 5

Table 1: Scoring criteria and questions

Review of Fees and Charges

The Councils up to date position on the review of fees and charges was concluded in June 2014 such that applicants would have been able to account for this in their applications

Funding from other sources

Within the small grant application form organisations were asked;

- if you intend using the Small Grants funding to contribute to the funding of a project, please tell us where the remaining funding will come from, and how much has already been secured?

As part of the financial breakdown of project costs within the standard grant application organisation were asked

- Total requested from other sources (please identify sources)
- Is funding from other sources secured? If no, give date you expect to hear outcome. Are other local authorities and funders contributing towards this project?

Once all the applications had been scored and funding proposed by the grant panels, the lead officers of all the panels met to review all the proposals. The group considered the balance of funding e.g. where different grant streams had been over- or under-subscribed; whether funding was being targeted towards areas of deprivation; and the equalities impact of the funding; in order to determine a finalised

suite of funding recommendations which were robust, transparent and internally consistent.

Grant stream leads recommendations were;

Year 1: combined unallocated funds of £46,014 could be allocated proportionally by the percentage of oversubscription to standard grants within each fund.

Within the Employability Learning & Training grant stream the scoring panel had allocated funding to successful organisation and that this reallocation would be better distributed within the other streams.

Developing Communities	£30,114
Employability, Learning & Training	£0
Poverty	£4,764
Health & Physical Activity	£11,136

The transition fund allocation for year two and three was to be reallocated to standard grants proportionally by the percentage of oversubscription to each fund.

Year 2: Transition fund of £57,000 to be allocated proportionally by the percentage of oversubscription to standard grants within each fund

Developing Communities	£30,084
Employability, Learning & Training	£11,542
Poverty	£8,394
Health & Physical Activity	£6,980

Year 3: Transition fund of £72,000 to be allocated proportionally by the percentage of oversubscription to standard grants within each fund

Developing Communities	£35,462
Employability, Learning & Training	£13,512
Poverty	£13,010
Health & Physical Activity	£10,016

3. Issues

The following issues were encountered by the grant panels during their assessment of grant applications.

3.1 *Ineligible applications*

The following applications did not meet the eligibility criteria for the grant stream applied to and are therefore not able to receive funding:

Application		Grant stream applied to	Comment
PS1	The Redeemed Christian Church of God Oasis Parish	Poverty	Grant funding not available for proselytising.
HPAL1	St Lukes Primary Council	Health & Physical Activity	Incomplete application which could not be scored as no outcomes or financial request defined by the applicant.
HPAL10	Midlothian Council Library Service	Health & Physical Activity	New funding application from local authority, therefore not eligible.
HPAL14	Arniston Rangers Junior Football Club	Health & Physical Activity	Application to repair a building. Capital building costs not eligible
HPAS1	Upbeat Dance	Health & Physical Activity	Incomplete information – did not specify what type of organisation they were. Recommendation was that they engage with active schools teams and community sports clubs.
HPAS19	Derby Joan Club	Health & Physical Activity	Application does not meet criteria and is incomplete.
HPA47	Lasswade Gymnastics Club	Health & Physical Activity	Minimal information contained throughout application so could not be scored

Table 2: Ineligible applications

3.2 Over/under-subscription

There were 223 applications received in total:

- 130 were small grant applications; and
- 93 standard grant applications.

Figure 1 shows the percentage of applications (both small and standard grants) to each of the grant streams:

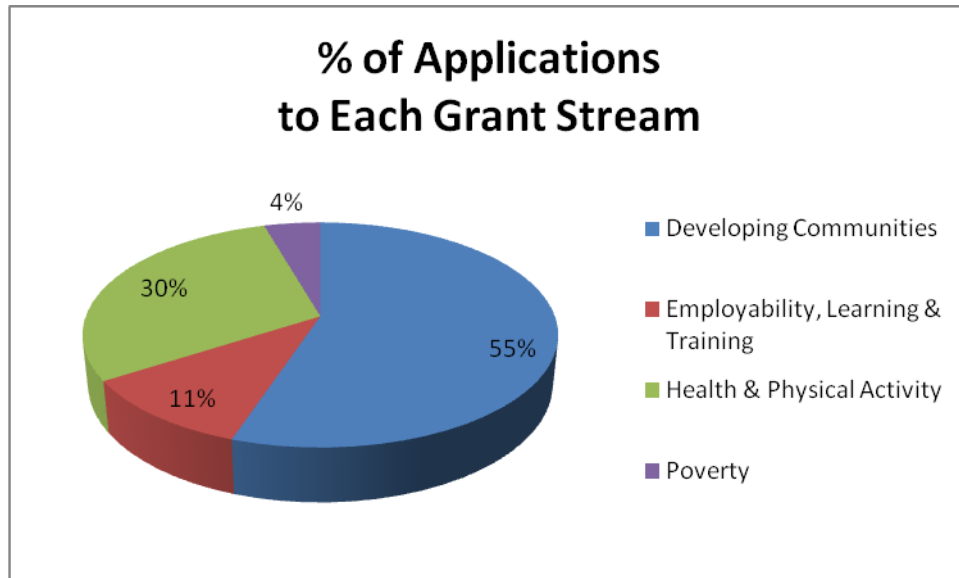


Figure 1: Applications to each grant stream

Total amount requested across all grant streams by applicants was £6,645,392 from both small and standard grant applications:

Year 1*	£ 2,439,255
Year 2	£ 2,096,778
Year 3	£ 2,109,360

Amounts for year 2 and 3 are only for large grants, as small grants are to be bid for on an annual basis.

* This year one figure total includes funding under the final year of Fairer Scotland Fund monies (this being £483,049) and which is external funding from Scottish Government managed and allocated by the council under separate arrangements.

Small grants for 2015/16

Figure 2 shows the amount of funding requested against the amount of funding awarded for each grant stream in relation to small grants.

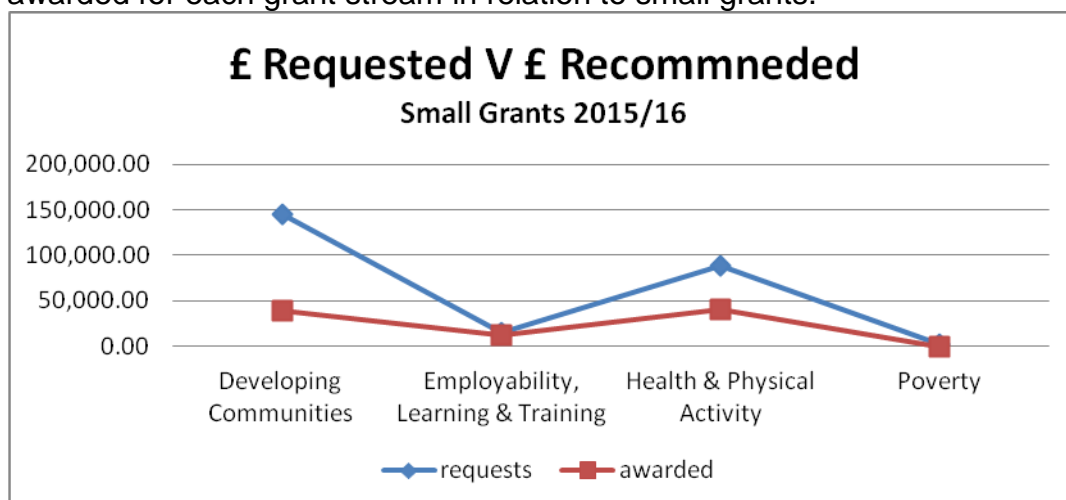


Figure 2: Small Grants - £ Requested v £ Awarded

Standard grants

Figures 3 - 5 show the amount of funding requested against the amount of funding awarded for each grant stream over the 3 year period 2015/16 to 2017/18 for standard grants.

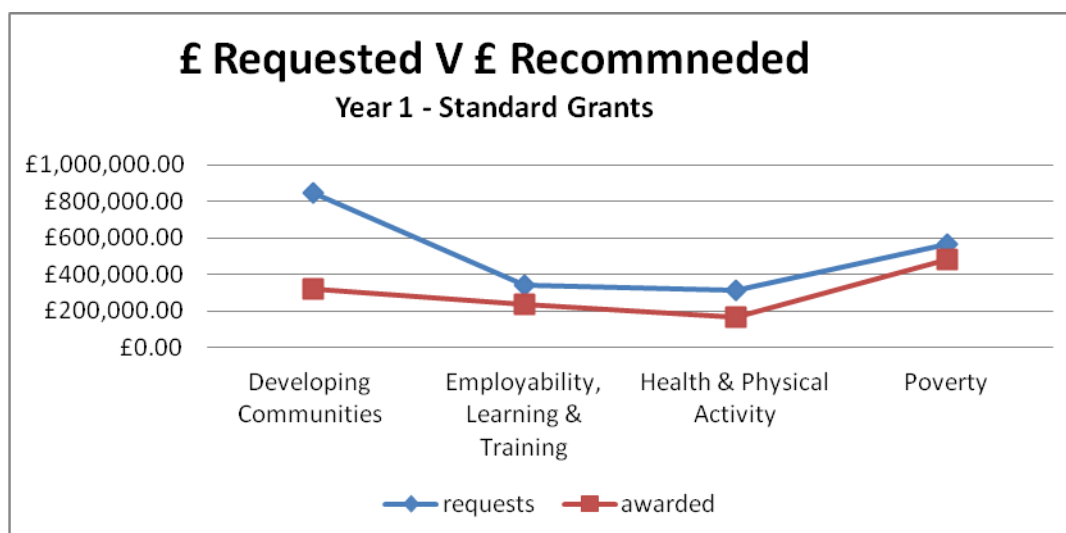


Figure 3: Standard Grants- £ Requested v £ Recommended

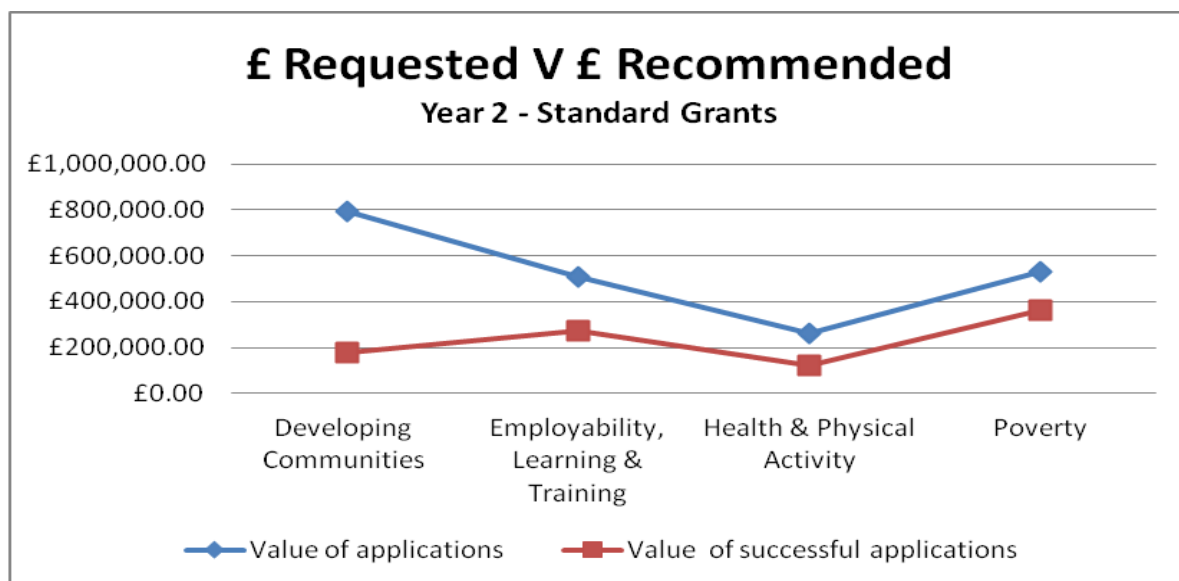


Figure 4: Standard Grants - £ Requested v £ Recommended

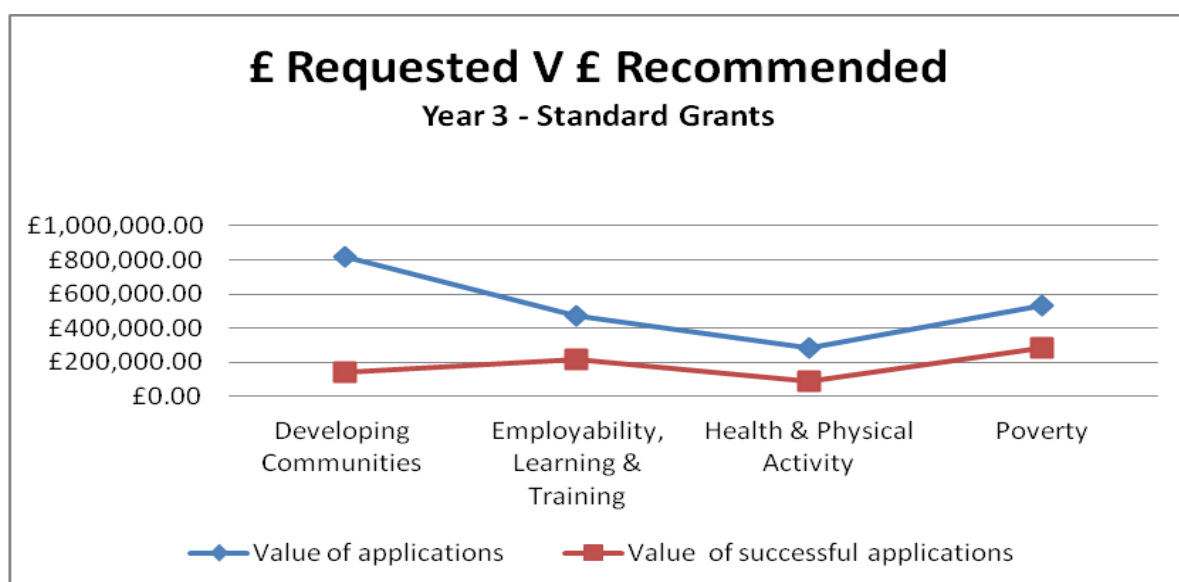


Figure 5: Standard Grants - £ Requested v £ Recommended

The figures above show that all grant streams were over-subscribed, with the Developing Communities grant stream particularly pressured by volume of applications. The figures also show that the level of oversubscription increases over time i.e. funding request amounts were roughly static each year but the funding available is reducing.

3.3 Multiple applications from a single organisation

Table 3 shows organisations who submitted one duplicate application to more than one stream and therefore were considered in the stream with which they most closely fitted.

Duplicate Applications		Grant stream applied to	Comment
DCS69 ELTS7 HPAS43	Midlothian Twinning Association	Developing Communities, Health & Physical Activity and Employability Learning & Training	Duplicate application to three streams. Grant awarded under Developing Communities
DCL23 HPAL11	Midlothian Sure Start – Dads Project	Developing Communities and Health & Physical Activity	Duplicate application to two streams. Grant awarded under Health & Physical Activity
DCL6 HPAL3 PL5	Legal Services Agency	Developing Communities, Health & Physical Activity and Poverty	Duplicate application to two streams. Grant awarded under Health & Physical Activity
DCS72 HPAS11	Cousland Majority Group	Developing Communities and Health & Physical Activity	Duplicate application to two streams. Grant awarded under Health & Physical Activity
DCS91 HPAS42	Bonnyrigg After Schools Club	Developing Communities and Health & Physical Activity	Duplicate application to two streams. Grant awarded under Developing Communities

Table 3: Duplicate applications

Table 4 shows organisations who submitted multiple applications and each one was considered in the stream they applied to.

Multiple Applications		Grant stream applied to	Comment
HPAS44 HPAL44	Beeslack All Stars Disabled Club	Health & Physical Activity small and standard	Grant awarded under Developing Communities
DCS4 DCS5	Gorebridge Community Council	Developing Communities	Grant awarded under Developing Communities. One for running costs and one for memorial garden project
DCL24 ELTL14	MAEDT	Developing Communities and Employability	Grant awarded under Developing Communities and Employability Learning & Training. One for core

Multiple Applications		Grant stream applied to	Comment
		Learning & Training	funding and one for job and enterprise club
DCL13 ELTL10	Mayfield & Easthouses Youth 2000 Project	Developing Communities and Employability Learning & Training	Grant awarded under Developing Communities and Employability Learning & Training. One for core costs and one for health and employability project
DCL12 ELTS4 HPAS27	Midlothian Association of Play	Developing Communities, Employability Learning & Training and Health & Physical Activity	Grant awarded under Developing Communities and Employability Learning & Training. One for core costs and one for play conference and training.
DCS40 HPAS17	Midlothian District Scout Council	Developing Communities and Health & Physical Activity	Grant award under Developing Communities and Health & Physical Activity. One for core development work and one for development of new sessions in hill craft
DCS61 ELTS1	No 1739 (Newtongrange) squadron, Air training Corps	Developing Communities and Employability Learning & Training	Grant awarded under Developing Communities and Employability Learning & Training. One for PC consumables and one for fibre optic business link
DCL7 ELTL4 HPAL5	Penicuik YMCA-YWCA	Developing Communities, Employability Learning & Training and Health & Physical Activity	Grant award under Developing Communities and Health & Physical Activity. One for youth work, childcare, Plusone mentoring, training and supporting local groups and one for affordable and accessible sport for healthy living
DCS14 DCS15	Tynewater Community Council	Developing Communities	Grant award under Developing Communities. One for core costs and one for replacement items

Table 4: Multiple applications

Impact Assessment

The grant panel recommendations have been assessed in relation to geographical and equalities impact as described below.

4.1 Geography

Table 5 sets out the approximate spread of recommended funding by geography. This is based on associating each grant application with the geographical area serviced by the organisation (not the location of their office):

- 'Area of deprivation' refers to an area of multiple deprivation;
- 'Midlothian-wide' references those organisation which provide a service with no specific geographical focus within Midlothian;
- 'Other' refers to those organisations focused in a part of Midlothian which is not an area of deprivation.

Geographical area	% of applications	% of funding		
		Year 1	Year 2	Year 3
Area of deprivation (Mayfield, Easthouses, Woodburn or Gorebridge)	17%	15%	13%	14%
Midlothian-wide	29%	69%	80%	81%
Other	54%	16%	6%	5%

Table 5: Geographical spread of recommended funding

The table demonstrates that the majority of bids which have been recommended for funding relate to a specific area of Midlothian. This may reflect, for example, the numerous local clubs and associations which are based in towns and villages across the county. In terms of the amount of funding, the table shows that a significant minority of funding (15% in year 1) is targeted in areas of deprivation. The majority of funding would go to organisations which operate Midlothian-wide (which would include areas of deprivation). All figures are approximate but particularly years 2 and 3, as they do not include small grants which are determined annually.

4.2 Equalities

The recommended grant fund awards have been analysed for equalities impact by associating each applying organisation with one or more protected characteristics. Those organisations that are recommended to receive funding are assessed as creating a positive impact. Clearly a negative impact would result for any organisation that currently receives funding and will lose it going forward. In overall terms the proposals as recommended have a positive impact predominantly in terms of age, disability, sex and poverty. However, as the current grant awards by their very nature address the needs and aspirations of these groups, it is inevitable that the results of the overall reduction in grant funding will have some negative impact. Successful applicants are likely to require to transform working practice or find alternative sources of funding over time to address the funding gap. This issue may

be more acute for current funding recipients who have been unsuccessful or partially successful in achieving a grant award.

Further detail is available in the Equality Impact Assessment which is annexed to this Appendix.

4. Action plan to support organisations

In recognition of the potential negative impact to particular groups and organisations the Council and others can seek to reduce the level of such impact through a range of measures and actions. Accordingly, the Grant Stream Leads have developed the following action plan to help support grant applications through the changes to grants, also taking into account the geographical and equalities impact outlined in the previous section.

Timescale	Ref	Lead	Activity
Immediate	1	Midlothian Voluntary Action	Getting it Right: Staffing training (supporting managers to think about redundancy, alternative to redundancy, staff rights etc).
	2	Midlothian Voluntary Action	Leadership Training offered through Social Enterprise Allowance – 15 managers attending.
	3	Council	Offer to voluntary sector for places on the Council's Leadership Development Course as available.
	4	Council	Agree date when 15 places to use the Council's counselling service will become available.
	5	Council	Identify and risk assess currently-funded organisations that will lose substantial funding in year 1
Post -16 th December 2014	6	Council and Midlothian Voluntary Action	Raise awareness of alternative funding sources e.g. Integration Fund.
	7	Council	Identify and raise awareness of in-kind support e.g. SWITCH.
	8	Council	Identify and raise awareness of partnership working e.g. co-location, hubs.
	9	Council and	Letter to all grant applications noting

Timescale	Ref	Lead	Activity
		Midlothian Voluntary Action	success/failure and support available.
Jan - Mar	10	Council	Transition Funding Panel meeting
	11	Midlothian Voluntary Action	Information session on new European funding arrangements
	12	Midlothian Voluntary Action	1-2-1 meetings with organisations affected by reduced or removed grant award to identify potential alternative funding strategies/opportunities.
	13	Midlothian Voluntary Action	Group sessions around particular themes for small grants e.g. gala days, arts.
	14	Social Enterprise Alliance Midlothian	Social Enterprise Alliance Midlothian (SEAM) work to ensure that organisations are able to take enterprise and contracting opportunities (procurement seminar booked for January).
2015-17	15	Midlothian Voluntary Action	On-going support to organisations to manage reducing budgets
	16	Community Planning Partnership	Support to Third Sector workforce to ensure that individual staff maximise their transferable skills.

Table 6: Action plan

Annex A: Equality Impact Assessment

See separate document.