

Large Grants Allocation 2022-2025

Report by Joan Tranent, Chief Officer Children's Services, Communities and Partnership

Report for Decision

1 Recommendations

Council is recommended to:

- Approve the allocation of the large grants detailed in *Appendix 1* for 24 organisations totalling £1,458,448 over 3 years
- Approve the creation of a transition support fund for the organisations in *Appendix 2* who did not qualify for a large grant but meet a priority need or gap in services
- Approve the continuation of a small working group of cross-party elected members and council officers to monitor the transition fund spend and decide on any re-allocation of any additional resources resulting from organisations not accepting a reduced funding offer

2 Purpose of Report/Executive Summary

The Council's large grants scheme is available to voluntary and community organisations to deliver services across four funding streams to meet the priorities and outcomes of the Community Planning Partnership and the Single Midlothian Plan. The themes are reducing carbon emissions, reducing inequalities in health, learning and economic circumstances.

This report asks Council to:

- approve the recommendations of the scoring panels for the period 2022 to 2025
- approve the creation of a transition support fund to assist organisations who scored well but did not receive an allocation of funding due to the large volume of applications received and who meet an identified need or gap in services which would not otherwise be met. The organisations listed in *Appendix 2* were assessed by the panel as being in these categories; and
- agree to supplement the transition support fund if any successful organisation is unable to deliver their project with partial funding.

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Report Contact: Karen McGowan 07990 136821
karen.mcgowan@midlothian.gov.uk

3 Background/Main Body of Report

- 3.1.1** In September 2020, Council approved the funding available to voluntary and community groups for large and small grants for a three year period from 2022 to 2025. The allocation to large grants was £520,000 a year for 3 years, a total of £1.56 million.
- 3.1.2** There are four grant streams which align with the priorities of the Single Midlothian Plan: reducing carbon emissions (a new stream), reducing inequalities in health, learning and economic circumstances.
- 3.2.1** Clear guidance was issued with the application forms detailing the information required under each section (*Appendix 3*). Offers of advice and support were made to anyone considering making an application. 42 people signed up for a MVA funding session with 32 attending, CLLE and MVA jointly offered 28 spaces for booked drop-ins and 19 received additional support from CLLE and MVA.
- 3.2.2** A core group of council officers from Communities Lifelong Learning and Employability (CLLE) facilitated and recorded the sessions but did not score applications. A cross-party group of elected members were involved in scoring all streams and were supplemented by other council officers and representatives from health with specific remits and expertise, members of the Third Sector Interface (TSI) and volunteer community members. Volunteer positions were advertised using the Myjobscotland website to ensure transparency and openness and 2 community members joined the panels.
- 3.2.3** Panel members were asked to declare if they had a vested interest or potential conflict of interest in advance of the panels. Those who declared this were asked to leave whilst the application was scored.
- 3.3.1** All assessments followed clear scoring criteria (*Appendix 4*) and were scored out of 75. Due to the large number of applications, only those scoring more than 50 were considered for funding.
- 3.3.2** No application was fully funded. The Panel agreed that successful organisations in the reducing inequalities in health, learning and economic circumstances should receive 70% of their costs with those in the carbon emissions stream receiving 50%. This was to ensure equity across the priorities as no application in the reducing carbon emissions stream scored over 50.
- 3.3.3** The creation of a transition support fund will provide some financial support to those organisations that were close to the funding threshold set by the panel (50 out of 75) and who were identified as filling a gap in provision either due to the service they provide or the geographical area they target. The Panel felt there was a risk to achieving the outcomes of the Single Midlothian Plan if these organisations were not funded. The four groups identified are listed in *Appendix 2*. We propose that each of these 4 organisations will receive approx.38% of their requested bid. The transition support fund will be supplemented

by any funds not accepted by successful organisations who are unable to deliver their project with partial funding

3.3.4 The monitoring process for the transition support funding will be carried out on a bi-monthly basis and payments to groups receiving support will be authorised only when the monitoring officer is satisfied that they are making progress.

3.3.5 Unsuccessful applicants can obtain detailed feedback on their application. MVA will offer support to these organisations to enable them to identify alternative funding streams and put in place sustainable plans for moving forward.

4 Report Implications (Resource, Digital, Risk and Equalities)

4.1 Resource

The recommended awards are included in *Appendix 1* of this report. A financial analysis of the number and type of applications received and the award allocations is included in *Appendix 5*.

Key points to note:

Sixty one applications were received totalling £4,455,709 over three years. £1,520,966 was requested in year 1, £1,462,660 in year 2 and £1,472,082 in year 3.

- The funding streams for reducing carbon emissions and reducing inequalities in economic circumstances had the least applications with eight in each. There were 25 applications for reducing inequalities in health and 20 for reducing inequalities in learning.

4.2 Digital

A web based form will be designed for future grants rounds. This will be piloted with the first round of the small grants with applications closing in December 2021.

4.3 Risk

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

Changes agreed to the monitoring and payment of grants will ensure greater scrutiny of spend and progress towards meeting outcomes. Link officers will be appointed to work with all grant recipients, monitoring and financial reports are required on a 6 monthly basis and further instalments of grants will not be paid until all documentation is received and checked and link officers are satisfied that satisfactory progress is being made. An end of project report detailing the

differences made by the Project will also be required at the end of the funding period.

This grant funding will help to sustain a vibrant voluntary sector in Midlothian in challenging financial times. The amount of funding available and the amount of applications received represents a potential risk to the funding of the voluntary sector who contribute to meeting the outcomes of the Single Midlothian Plan as not all projects can be funded.

The low number of applications received in two categories means that the number of successful applicants in the reducing carbon emissions and economic circumstances streams have received less funding but this is proportionate to the number of applications received (*Appendix 5*).

The proposed transition support fund, recommended in this report, will help mitigate against the risk of further increasing gaps in services for specific target groups and priority areas.

4.4 Ensuring Equalities

The integrated impact assessment concluded that the grant programme will have a positive impact on equality groups across Midlothian. The scoring criteria specifically references the impact on protected characteristics groups, how the organisation will promote equalities and the targeting of the 3 geographic priority areas of Dalkeith/Woodburn, Gorebridge and Mayfield/Easthouses.

4.5 Additional Report Implications (See Appendix A)

Appendices

Appendix A - Additional Report Implications

Appendix B - Background Information/Links

Appendix 1 - Recommended list of awards

Appendix 2 - Organisations identified for transition funding

Appendix 3 - Application Guidance

Appendix 4 - Scoring criteria

Appendix 5 - Financial analysis of grant applications

APPENDIX A – Additional Report Implications

A.1 Key Priorities within the Single Midlothian Plan

Midlothian Council and its Community Planning Partners have made a commitment to treat the following areas as key priorities under the Single Midlothian Plan:-

- Reducing the gap in economic circumstances
- Reducing the gap in learning outcomes
- Reducing the gap in health outcomes
- Reducing the impact of climate change

Please explain under this section how the proposals contained in this report will contribute to the achievement of the key priorities.

The grant streams are aligned to the four outcomes of the Community Planning Partnership and Single Midlothian Plan. Applications were assessed on how they met each of the outcomes of the plan and the differences they would make.

A.2 Key Drivers for Change

The Medium Term Financial Strategy approved by Council identified 9 key drivers for change. Which key drivers for change does this report relate to/support?

Key drivers addressed in this report:

- Holistic Working
- Hub and Spoke
- Modern
- Sustainable
- Transformational
- Preventative
- Asset-based
- Continuous Improvement
- One size fits one
- None of the above

A.3 Key Delivery Streams

Consultation with communities identified 4 key delivery streams. Which key delivery streams does this report relate to/support?

Key delivery streams addressed in this report:

- One Council Working with you, for you
- Preventative and Sustainable
- Efficient and Modern
- Innovative and Ambitious

A.4 Delivering Best Value

The grants programme will help maintain a vibrant voluntary sector in Midlothian. With challenges to statutory funding, the voluntary sector has a key role to play in developing communities, reducing inequalities and supporting sustainable development and contributing to meeting the outcomes of the Single Midlothian Plan. Scoring all applications against key criteria has ensured that Best Value was a key part of the assessment process. One of the questions assessed focused on whether the project was good value for money and demonstrated realistic costs.

A.5 Involving Communities and Other Stakeholders

The application forms and criteria were co-produced with the voluntary sector and designed based on feedback from previous and potential applicants about the process and information available. Scoring panels included a wide range of council officers, representatives from health, cross-party elected members, community and voluntary sector representatives. Both CLLE staff and MVA staff offered significant support to organisations making applications through drop-in surgeries and one to one consultations and offered to give feedback and advice on draft applications.

A.6 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 and the Community Planning Partnership and contribute towards meeting the four key priorities.

A.7 Adopting a Preventative Approach

The successful organisations will continue to support the voluntary sector to undertake preventative work by reducing inequalities, carbon emissions, social isolation and the impact of poverty, improving mental and physical health and wellbeing, developing communities and supporting people into learning and employment. Without this valuable contribution, many of these services could not be delivered in Midlothian.

A.8 Supporting Sustainable Development

Reducing carbon emissions was a new stream introduced into the grants programme for 2022 to 2025. There were only a small number of applications to this funding stream and some did not demonstrate clearly the difference they would make to reducing carbon emissions. The criteria for this stream will be reviewed and refined in the light of this to see if we need to change anything, particularly around the restrictions on capital spend.

Supporting the voluntary sector through the grants programme will ensure that they play a key role in supporting sustainable development.

APPENDIX B

Background Papers/Resource Links (if applicable)

None