

## **Prioritising Targeted Areas in the Small Grants Programme 2017/18**

**Report by Mary Smith, Director, Education, Communities and Economy**

### **1 Purpose of Report**

The purpose of this report is for elected members to consider and approve options for weighting the Council's Small Grants Programme assessment criteria to benefit the targeted areas of Mayfield/Easthouses, Gorebridge and Woodburn/Dalkeith, as requested at the Council meeting of the 15 December 2015.

### **2 Background**

**2.1** In June 2014 the Council approved a set of recommendations following a review of Council grants as part of the wider review of Services to Communities. The review was prompted by a need to create a consistent and transparent approach that would achieve financial savings.

**2.2** The Council approved a new set of criteria and separate funding streams for the Small Grants Programme. This criteria and supplementary guidance is available in **appendix 1** of this report.

**2.3** The Small Grants Programme is made up of four separate funding streams. The Programme can issue grants between £100 and £3000. Each stream has an allocated budget, approved criteria, and designated grant stream lead. The grant streams are;

- i) Poverty
- ii) Developing Communities
- iii) Employability, Learning, and Training
- iv) Health and Physical Activity

**2.4** On the 15 December 2015 the Council agreed that Officers will “set out a system for weighting scoring to benefit the targeted areas of Mayfield, Gorebridge and Dalkeith in the 2017/18 and beyond grants round”. Options for consideration are detailed in section 3.3 below.

### **3 Report Implications**

#### **3.1 Resource**

The approved allocated budget of the Small Grants Programme is £150,000 per year for a three year period (2015-18). The report approved by Council in

2014 recommended the following allocation for each of the grants streams;

<b>Grant Stream 2017/18</b>	<b>Budget</b>
Developing Communities	40,000
Poverty	40,000
Community Councils	10,000
Gala Days*	-
Employability, Learning and Training	20,000
Health and Physical Activity	40,000
<b>Total</b>	<b>150,000</b>

*\*The allocation and administration of Gala days will be transferred to the Resources Directorate for 16/17, as agreed at the Council meeting on the 15 December 2015.*

### **3.2 Allocation by Targeted Area**

The three targeted areas make up 29% of Midlothian's population and the allocation for the Small Grants Programme in 2016/17, not including projects that have a Midlothian wide remit, was 31%. Of the overall grant allocation £42,222 was allocated for Midlothian wide projects, £33,173 to targeted areas and £74,604 for non targeted areas. For a full breakdown of the funding allocation for targeted areas see **appendix 2**.

### **3.3 Proposal**

The Single Midlothian Plan (SMP) has directly informed the criteria used to assess the Small Grant applications.

#### **Option 1**

The Poverty small grant stream has for the last two years been undersubscribed. From an annual budget of £40,000 only one unsuccessful application was received in 2015/16 and for 2016/17 seven applications were received totalling £16,725, of which £15,725 was awarded.

In order to address the SMP's top three priorities of closing the outcome gap in health, learning, and economic circumstances and to support the agreed SMP approaches of improving access to local services and focusing resources on the three priority areas, it is recommended that the £40,000 poverty stream is allocated exclusively for work in the three priority areas. If this is approved, the Communities Team will work with local organisation to co-produce projects that will help close the gap in outcomes in these areas. If an external funding opportunity arises for match funding in the priority areas, such as the Scottish Governments Community Choices Fund<sup>1</sup>, the Council is requested to grant permission to proceed on this basis.

#### **Option 2**

To weight all of the small grants streams in favour of the targeted areas, introduce a new scoring criterion that allows a 5% weighting across all streams for projects in these areas.

If approved both options would be evaluated and reported at the end of the funding cycle.

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<sup>1</sup> Community Choices is the newly announced £2 Million grant which is the Governments approach for participatory budgeting.

## 4 Risk

The Review of Council Grants has been risk assessed and these risks are included in the Council's Risk Register. The Small Grants Programme provides financial support to a wide range of local organisations, which provide community activities across the county. For example youth and children's work prevents costs associated with anti- social behaviour; older people self help groups prevent escalating costs associated with hospital admissions and care home admissions. The risk to the Council is that loss of these organisations and their activities may increase other costs for the public sector.

The risks for these small organisations include losing part-time staff, reduction in volunteers, closure, increased pressure to fundraise from other sources, and loss of external funding levered in through match funding.

The Small Grants Programme helps to mitigate against some of these risks. Grants are carefully monitored to ensure compliance, and are subject to internal scrutiny to ensure they meet the requirements of Following the Public Pound Guidance.

There are risks associated with weighting scoring to benefit the targeted areas. Weighting scoring may disadvantage communities in other geographical areas. Allocating the poverty stream to the targeted areas will exclude other groups who support people in poverty from accessing the small grants. Not weighting the scoring to targeted areas also carries risk, as it would be inconsistent with the new priorities in the Single Midlothian Plan (SMP) to reduce inequalities of outcomes in the targeted areas. A further risk would be that it would make it harder to get match funding from other funders who often prioritise funding for areas of high deprivation.

## 5 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

### 5.1 Impact on Performance and Outcomes

The Small Grants Programme has criteria for each grant stream to ensure the stated outcomes are achieved. The existing monitoring processes help ensure that the allocation of small grants will support the outcomes identified in the SMP.

### 5.2 Adopting a Preventative Approach

The Council is committed in policy to supporting communities to do more for themselves to prevent demand for public service interventions escalating. These small community managed groups are examples of this policy in practice. Prevention is a key part of the criteria for all grant streams. All applications were carefully assessed by the scoring panels against this criterion.

### 5.3 Involving Communities and Other Stakeholders

Initially the review of Council Grants used a co-production approach with the Third Sector. The criteria and processes in the Small Grants Programme have been informed by this process. Midlothian Voluntary Action undertook a support role as part of the Small Grants Programme for 2016/17. A survey was issued to all grant recipients so they could identify administrative improvements to the Small Grants Programme. In 2016/17, as in 2015/16, the Small Grants Programme was promoted across the county through publicity across a variety of media. Information on how to apply was widely disseminated and drop-in advice sessions for applicants' were held in Dalkeith and Penicuik during the day and evening.

### 5.4 Ensuring Equalities

A full Equality Impact Assessment (EQIA) was undertaken as part of the Councils review of grants in 2014. The approved EQIA recommendations are now embedded in the three year small grants programme. The grants panels carefully assess the applications against the Councils equality duties. The funded organisations are required to monitor equalities and take positive action to promote access for equality groups.

The option of using the poverty funding stream for the targeted areas and weighting scoring in the other funding streams provides evidence of Positive Action under the Equalities Act (2010). This is because Midlothian Community Planning Partnership decided to add Poverty as an additional Protected Characteristic.

### 5.5 Supporting Sustainable Development

The Small Grants Programme funding will help sustain the Third Sector in Midlothian. With reductions in statutory funding, the Third Sector has an increasingly important role in developing communities, reducing inequalities, and addressing social isolation.

## 6 Summary

### 6.1 The Small Grants Programme is a key part of the overall Council's contribution to Third Sector organisations and supports the priorities of the SMP.

Whilst there has been some consideration given to area targeting by the grant panels, there is a view that this could be more formalised with a weighting of scoring towards applications from these areas in future funding allocations, as detailed in section 3.4.

In addition it is considered that removing the small grants poverty stream, which has been undersubscribed, and allocating this to a ring fenced fund for targeted areas where decision's could be devolved to local organisations and residents would be consistent with agreed SMP policy of prioritising these communities. There may also be an opportunity to secure external match funding.

## 7 Recommendations

### 7.1 There are a number of options for Council to consider and approve:

- i) **Option 1**, allocate the poverty stream to the targeted areas in the 2017/18 grant round and beyond, using a co-produced decision making process, and permit this stream to be used to apply for external match funding; or,

- ii) **Option 2**, introduce a new scoring criterion that allows a 5% weighting across all streams for projects in targeted areas.
- iii) **Option 3**, approve both option 2 and 3.

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

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

## **Appendix**



Small Grants  
Guidance and Criteria

## **Appendix 2**



2016/17 Grants  
analysis targeted are