

Future Grant Distribution: Third Sector and Early Years Grants

1.0 EXECUTIVE SUMMARY

- 1.1** At the Council meeting 11th February 2016, officers were asked to: “Review an amalgamation of all grant structures and criteria (for example, allowing community councils to apply)” and to “Promote and develop a participatory budgeting scheme for Area Committees”.
- 1.2** Grants currently allocated by the council to community groups through an application process are the Third Sector Grants fund and the Early Years Fund. Improvements to these processes have been considered and recommendations made for members to consider.
- 1.3** Committee are asked to agree:
- Third Sector Grant funding is allocated by Area Committees in one round, from April 2017.
 - The criteria for grant funding are extended to allow community councils and parent councils to apply.
 - The scoring of grant applications is opened to community participation through a panel of community members, overseen by the Community Development Officer with recommendations to Area Committee.
 - Participatory Budgeting (PB) as a method to distribute grant funding is looked at following the pilot PB project run with the Argyll and Bute Gaelic Forum, funded by Scottish Government in 2016/17.
 - The Third Sector Grant fund is renamed Argyll and Bute ‘Supporting Communities Fund’.
 - The ‘Supporting Communities Fund’ is not combined with Early Years fund due to the risk this poses to Early Years provision within Argyll and Bute.
 - The Early Years Grant is improved to include elected members in its process.
 - A recommendation is made to the Integrated Joint Board for officers to explore the potential to combine the Argyll and Bute Supporting Communities Fund with the Health and Wellbeing Grant Fund run by the Health and Social Care Partnership.

Future Grant Distribution: Third Sector and Early Year Grants

2.0 INTRODUCTION

- 2.1 In its review of budget decisions in February 2016 the Council asked officers to review the way in which grants are distributed to community groups. Officers were asked to:
- a) Review an amalgamation of all grant structures and criteria (for example, allowing community councils to apply)
 - b) Promote and develop a participatory budgeting scheme for Area Committees.
- 2.2 This report considers the potential to combine grants, the ability for community councils to apply for Third Sector Grants and the future of grant distribution including participatory budgeting.

3.0 RECOMMENDATIONS

It is recommended that Policy and Resources Committee agree:

- 3.1 Third Sector Grant funding is allocated by Area Committees in one round, from April 2017.
- 3.2 The criteria for grant funding are extended to allow community councils and parent councils to apply.
- 3.3 The scoring of grant applications is opened to community participation through a panel of community members making recommendations to Area Committee, for funds distributed from April 2018.
- 3.4 Participatory Budgeting (PB) as a method to distribute grant funding is looked at in future following the pilot PB project run with the Argyll and Bute Gaelic Forum, funded by Scottish Government in 2016/17.
- 3.5 The Third Sector Grant fund is renamed 'Supporting Communities Fund'.
- 3.6 The Argyll and Bute 'Supporting Communities Fund' is not combined with Early Years fund due to the risk this poses to Early Years provision within Argyll and Bute.
- 3.7 The Early Years Grant is improved to include elected members in its process.
- 3.8 A recommendation is made to the Integrated Joint Board for officers to explore the potential to combine the Argyll and Bute Supporting

Communities Fund with the Health and Wellbeing Grant Fund run by the Health and Social Care Partnership

4.0 DETAIL

- 4.1 Meetings have taken place with officers from the council's Community Development Team, Finance, IT and Education services, PB Partners a Participatory Budgeting consultancy, and the Third Sector Interface.
- 4.2 It is understood by officers that the Third Sector Grants and the Early Years Fund are the only Council funds through which applications from community groups are made. These funds were looked at in detail to improve process and participation.
- 4.3 The Third Sector Grants fund is administered by the Community Development Team in Community and Culture. Following Service Choices budget decisions made by the Council in February 2016, the budget for this grant fund is a total of £112,000 in 2017/18 and £98,000 in 2018/19. This is split equally across the four administrative areas.
- 4.4 The Early Years Fund is administered by Education Services. A total of £155,388 is available in 2017/18.
- 4.5 Both funds require completion of an application form. The Early Years' Service has one main round of funding at the start of the financial year and smaller applications are considered throughout the year. Third Sector Grants has two rounds of funding each year, these go to Area Committee in April and August.
- 4.6 Decisions for Third Sector Grants are made through a set of recommendations from the Community Development Officer to the Area Committee. Elected members allocate the funds at Area Committee twice a year; April and August. Recommendations are based on whether the application meets a robust set of criteria aligned to priority outcomes for Argyll and Bute.
- 4.7 Decisions for Early Years are made at Grants Meetings attended by Education, Health and Finance, the decisions are made following recommendations from a member of the Early Years' Service. The recommendations are based on whether the application meets the criteria aligned to the priority outcomes for the Services and demand for provision.

5.0 Grant Improvements

5.1 Potential to amalgamate the grant funding.

It is not advisable to combine the Early Years Fund with the Third Sector Grant Fund due to risk this presents to statutory early years provision. The funding is targeted following a professional assessment and is needed to deliver on the

current and new statutory duties for Early Learning and Childcare. In Argyll and Bute the implementation of Day Care and Out of School services is reliant upon Third Sector partners supported by this fund. This is detailed below:

- Part 6, 7 and 8 of the Children and Young People (Scotland) Act: Early Learning and Childcare, will require the support of Early Years Funding to implement.
- Argyll and Bute , Early Years' Service have started planning for the Scottish Governments proposals to increase the amount of Early Learning and Childcare to 1140hrs per year for 27% of 2 year olds and all 3 and 4 year olds. Third Sector Services will be central to the delivery of this increase and to the continuing provision of Out of School Care both term time and during the holidays.
- Across Argyll and Bute the Third Sector Services providing Childcare support the economic development of the Authority through providing jobs and allowing parents to work or attend College or University.

5.2 Community Councils/Parent Councils

It is recommended that Community Councils and Parent Councils can apply to the Third Sector Grants fund.

Provided a community council, or parent council, is providing match funding for the project from a source other than the council (the council cannot match against its own funding) then community councils and parent councils are eligible to apply. Funds could be matched from independent funds raised, or School Funds which are independent of council budgets.

Opening up the eligibility to community councils and parent councils is to support the work of the organisation i.e. projects they undertake and not the running of the organisation itself for which money is already provided by the council.

5.3 Improvement to process to enable more community involvement

The Third Sector Grant funding is currently scored by a Community Development Officer with recommendations made to elected members at Area Committee for dispersal of the funds.

Options have been considered to include members of the community in the decision making process. Participatory Budgeting methods have been considered. Unfortunately we were unsuccessful in a funding bid to Scottish Government for a pilot project with Third Sector Grants. A recently successful bid to Scottish Government for the Gaelic Forum to pilot a participatory budgeting project in 2016/17 will inform future approaches including Third Sector Grants.

An interim solution, pending results of a pilot project, is to create panels comprising community members to assess applications, overseen by Community

Development, with final recommendations taken forward to Area Committee. A representative panel with appropriate training and support will require the council to advertise the opportunity, select and train community members well in advance of the February before the April Committee meeting. It is proposed that advertising for members to these panels commences in summer 2017.

It is proposed that within the Early Years fund allocation Elected Members be involved in the decision making process and a report is provided to Area Committee detailing the Grants awarded. An Elected Member was the Chair of the Funding Sub group when the Grants were previously administered as part of the Childcare Partnership.

5.4 One round of funding

It is proposed that The Third Sector Grant funding be allocated in one round, rather than two, per year.

The resource to manage two rounds of grant funding is extensive. Moving to one will enable the Community Development Team to concentrate more resource on strategic developments such as participatory budgeting and free up resources to better support community groups in the area through training, community engagement and other core community development work. .

The proposal is the current Third Sector Grant process moves to one round of funding to be allocated in April 2017 at Area Committees. Having the funding allocation at the April Area Committee allows:

- Organisations with summer activities to have opportunity to access funds.
- The maximum time in the financial year to spend the funds.

The funding calendar is such that other funds are available later in the financial year, such as Health and Wellbeing grants.

5.5 Exploration of Participatory Budgeting Project

The Community Development and Community Planning Team have been working with PB Scotland and the Democratic Society Scotland to explore various ways that participatory budgeting can work in Argyll and Bute.

More information on Participatory Budgeting, or Community Choices as it has recently been referred to by Scottish Government, can be found in Appendix 2. Its principles are to open the decision making on grants to the community through voting.

There is a need for a digital solution to Participatory Budgeting in Argyll and Bute to allow equality of access to voting for projects across large geographical areas. There are costs and resource implications with this. Best practice and pilot projects already underway in Scotland are being considered.

The Democratic Society Scotland presented available digital engagement tools at an elected members' seminar on 3rd October 2016.

The next stage is to explore how Participatory Budgeting could work for distribution of grants by delivering a pilot with the Gaelic Forum this year, 2016/17.

The timescale for the proposed development of participative decision making for Third Sector Grants is therefore set out below:

Table 1: Development steps for Third Sector Grant Fund

Funding year	Development Step	Detail
2017/18	Community Councils and Parent Councils can apply	Grant criteria changed in December 2016. Applications accepted for decisions in April 2017.
2018/19	Community Panels assess applications	Advertising starts in summer 2017, with training in Autumn 2017 in advance of assessing applications in February 2018.
2019/20	Participatory Budgeting (usually involving online voting event) replaces recommendations to committee	Subject to successful pilot project and resources

5.6 Re naming of Third Sector Grant Fund to Argyll and Bute 'Supporting Communities Fund'

The Third Sector Grant fund be renamed 'Supporting Communities Fund' as the term 'Third Sector' can be misleading.

5.7 Potential amalgamation with partner funds

Argyll and Bute Health and Wellbeing Networks distribute funds to communities via an application process. There may be opportunities in considering the amalgamation of the Third Sector Grant fund/ 'Supporting Communities Fund' and the Health and Wellbeing Fund, both in terms of simplicity for communities and efficiencies in officer involvement.

It is recommended that the potential of bringing these funds together is fully explored.

6.0 CONCLUSION

The Council operates two funds that support the development of community groups in Argyll and Bute. Following an instruction from Council on 11th February 2016, officers have explored the potential to amalgamate and develop these

grants to best meet the needs of communities in Argyll and Bute. The proposed developments for the future of these grant funds also considers the current political context to devolve decision-making.

Whilst it is proposed not possible to combine the Third Sector Grant Fund with the Early Years Fund it is possible to develop the criteria to allow community councils and parent councils to apply. It is also possible to develop the process of the decision making of the Early Years Fund to include elected members. With the Third Sector Grant Fund it is possible to further develop this to include, in the future, panels of community members to assess applications and make recommendations to Area Committee. Further into the future of managing the grants it may also be possible to build on the participatory budgeting model and seek opportunities to amalgamate with community grant schemes of partners. This report sets out recommendations for these developments.

7.0 IMPLICATIONS

- 7.1 Policy – the recommendations are in-keeping with the policy direction of the Community Empowerment (Scotland) Act 2015, and devolvement of decision making.
- 7.2 Financial – funding for a participatory budgeting pilot is required for this to take place.
- 7.3 Legal – Third Sector Grant criteria changed so that community councils and parent councils are eligible to apply for funding.
- 7.4 HR - none
- 7.5 Equalities – none
- 7.6 Risk – it is not proposed to combine the Third Sector Grants with the Early Years Grant due to the risk this presents to statutory early years provision.
- 7.7 Customer Service - none

Ann Marie Knowles, Acting Executive Director of Community Services
Cllr Robin Currie: Policy Lead for Strategic Housing, Gaelic and Community and Culture.

November 2016

For further information contact: Rona Gold, Community Planning Manager, rona.gold@argyll-bute.gov.uk. Anne Paterson, Acting Head of Education, anne.paterson@argyll-bute.gov.uk.

APPENDICES

Appendix 1: Background of Third Sector Grants

Appendix 2: Background to Participatory Budgeting

Appendix 1

Background of Third Sector Grants

Approx 100 amount of groups on average each year have benefited.

The funds went through a review in 2010 and this simplified the process and created a robust grant funding scheme. On 11 Feb 2016 the council requested that officers look at the criteria and distribution of grants to :

- Review an amalgamation of all grant structures and criteria (for example, allowing community councils to apply)
- Promote and develop a participatory budgeting scheme for Area Committees

Currently the grants:

- Do not allow parent/community councils to apply
- Are assessed by the Community Development Officer in each area.
- Operate two rounds of funding - April and August committees

What we do not fund at present:

- Capital costs - The budget strand that the grant funding comes from is not intended for Capital costs.
- Statutory bodies (community councils, parent councils)
- We do not fund 100% of project costs – the maximum award is 50% of total costs and we do not fund projects that are in receipt of other council funding.

Appendix 2

Background to Participatory Budgeting

Participatory Budgeting (PB) has been defined, in simple terms, as 'local people having direct decision-making powers over part of a public budget'. The Scottish Government are keen on Participatory Budgeting and are currently working with a number of local authorities in Scotland. PB can be inter-generational and can build capacity from grass roots, rather than favouring those who know how to write successful application forms.

Money and time have to be spent on PB, it has the benefits of informing and building capacities of communities.

Originally developed in Latin America in the 1980s, PB has spread into Europe, the USA and beyond, with over 1500 experiences reported worldwide. Hundreds of PB initiatives have been run in the UK in all types of communities, by local councils and in the public engagement work of police authorities, health boards, social housing, town and parish councils and within not-for-profit organisations.

So far in the UK the majority of PB funds have been allocated using a 'small grants' model, where residents decide between relatively small projects run in their communities. The PB story elsewhere has been more adventurous. In 2014 in New York over \$24m was spent through PB, using money that had previously been the prerogative solely of elected politicians and public officials⁴. And even in the UK the sums have reached into the millions on occasion. Through the careful application of PB it is possible to find creative and effective ways of improving essential services. Sharing responsibility with citizens in a planned way, with the aim of:

- Increasing the quality and quantity of community engagement
- Increasing trust in politics and in politicians
- Stimulating dialogue and positive action within communities
- Encouraging well targeted public investments

PB has much to offer residents and community leaders in terms of community empowerment. When well run, those involved feel their views have been respected and the process is fair and accessible. They respect those that have given them the opportunity to make decisions, rebuilding trust in the democratic process.

At its heart PB is about involving more people in all stages of the commissioning of public services. Whenever money is being spent in a community, ward or at authority level it is possible to increase the amount of citizen involvement in decision-making and also in the prioritization delivery and monitoring of services.
<http://www.localdemocracy.info/>