

Education, Children and Families Committee

10am, Tuesday, 19 May 2015

Children and Families Grants to Third Parties 2015/16

Item number 7.13
Report number
Executive/routine
Wards All

Executive summary

This report details the process to date for establishing a redesigned grants programme for April 2016 onwards in line with the requirement to do so by the Communities and Neighbourhoods Committee agreement “The transfer of responsibility for developing future grant programmes and making grant awards to executive committees and policy development sub-committees” on February 11th 2014.

Links

Coalition pledges	P6 , P12 , P36
Council outcomes	CO1 , CO2 , CO3 , CO4 , CO5 , CO6 , CO10 , CO11 , CO12 , CO14 , CO20 , CO23 , CO25 , CO26
Single Outcome Agreement	SO2 , SO3

Children and Families Grants to Third Parties 2015/16

Recommendations

It is recommended that the Committee:

- 1.1 Notes the process to date and agrees the workplan outlined in the report to complete the development of the new grants approach for 2016 onwards.
- 1.2 Remits the work associated with defining and implementing the approach to the Elected Member Working Group - in consultation with the Director of Children and Families and the Convener of the Education, Children and Families Committee – and receives a further report on the application process in October 2015.

Background

- 2.1 On 3rd March 2015 Committee noted the awards for 2015-16 to existing grant holders following the budget decisions of Council in February 2015. Given the pressures on the grants budget and the new approach being designed for 2016/17, Children and Families restricted access to the 2015/16 round to existing award holders.
- 2.2 The Committee also agreed that all grant programmes should be aligned to meet existing strategic plans, agreed commissioning themes and capital coalition pledge priorities. The revised process and programme will reflect this commitment
- 2.3 There remains a commitment to achieving a further reduction in expenditure in third sector grants and contracts as part of the Better Outcomes Leaner Delivery (BOLD) transformation programme. This will be taken into account in the development of the new approach.

Main report

- 3.1 Work is well underway to develop the new Children and Families approach to grants for 2016/17 onwards. Operating through the designated elected member working group this work is being guided, as far as possible, by the principles of coproduction. It is recognised that this has been somewhat constrained by the time available to develop the new programme and invite applications in advance of the next financial year.

- 3.2 There has been ongoing dialogue with existing award holders as well as with organisations that have not previously been in receipt of a Children and Families award as part of the development process.
- 3.3 Representatives of about 80 providers and other groups took part in a coproduction event at Nelson Hall on 11 December 2014. Participants discussed what works well, what needs to change and what they'd like to see in the future. Some of the suggestions around publicising timelines, criteria, definitions, encouraging partnership applications and offering feedback to unsuccessful applicants can easily be accommodated within the new approach.
- 3.4 Other suggestions from that event needed further discussion and input, and to help this a second development session was held on 23rd February 2015. There were some 40 organisations represented at the event as well as Children and Families staff and representatives of the Elected Member Working Group. Discussions on the evening aligning a new grants programme to the 6 agreed Commissioning Plan themes. There was also the opportunity for participants to identify gaps, from their perspective, and to offer ideas and suggestions for improving processes and systems. A record of comments was kept and is being used in the further development of the approach and programme.
- 3.5 Additionally, an online questionnaire (using Survey Monkey) was devised and the link to this widely distributed across networks of organisations in order to encourage those not currently in receipt of grant funding to also contribute their ideas to the programme development.
- 3.6 The survey set out a number of potential options and principles for the new approach. We had responses from 47 organisations giving a wide range of views: [the comments](#) made or [a summary paper](#) can be accessed by clicking the links in this paragraph.
- 3.7 Having reviewed all the feedback to date an initial set of proposals was drawn up for consideration by the Elected Member Working Group. Following that discussion the outline proposals were subsequently amended and widely circulated through an online survey using the same mechanisms and networks as before. These proposals are attached as Appendix 1. The closing date for completing the survey was 17 April 2015.
- 3.8 The next step will be for the Elected Member Working Group to agree the new approach after which the programme criteria can be announced and applications invited.
- 3.9 The intention is to run briefing sessions for applicants and training sessions for staff supporting this process and for assessing officers. Clear and simple guidance to support the completion of the new application form will be developed and applicants may be asked to submit their proposal in outline form first, to gain feedback about its

alignment to service area priorities and also to give an early indication of any possible duplication of effort in applications.

- 3.10 Early awareness of the above would allow applicants to consider a partnership or collaborative application.
- 3.11 The suggested closing date for applications is now late September to allow assessment to be taken forward over October and November and award proposals to be submitted to Committee for approval in early December.
- 3.12 As this is a new programme it is expected that there will be more applications than there will be funding to support. This timescale allows organisations that are currently funded but not successful in the new programme, to make the appropriate arrangements to meet any contractual obligations to staff

Measures of success

- 4.1 Each grant recipient will be required to complete a funding agreement that details SMART targets to be achieved by the organisation within the funding period. The achievement of these targets contributes to the outcomes in the Commissioning Plan themes.

Financial impact

- 5.1 The new programme will be developed in accordance with the budget available, taking account of the requirement to make further savings from expenditure on third party grants and contracts in 2016 and 2017 as per the BOLD commitments. To minimise the impact of this on the award holders, it is proposed that any allocation of three year grant awards takes account of this at the point of award in order to allow organisations to plan appropriately.

Risk, policy, compliance and governance impact

- 6.1 This report is compliant with the recommendations of the Review of Grants to Third Parties and will be complemented by a further report to Committee in May which will outline the results of the coproduction process to redesign the Children and Families approach to grants for 2016/17 onwards.

Equalities impact

- 7.1 The funding of activity by third parties through grant aid contributes to the Council's delivery of its Equality Act 2000 duty to seek to eliminate unlawful discrimination, harassment and victimisation, and to advance equality and foster good relations.

Sustainability impact

- 8.1 The awarding of grants to third parties enables the Council to meet Climate Change (Scotland) Act 2009 Public Bodies Duties as well as contributing to the city's Sustainable Edinburgh 2020 objectives.

Consultation and engagement

- 9.1 As outlined in the main report, this process has been underpinned by a commitment to engage and consult with stakeholders
- 9.2 Steps have been taken at each stage to ensure that existing award holders – and potential new applicants – have been kept informed about the new approach and invited to contribute to its development.
- 9.3 Regular updates have been posted on the EVOC and Compact websites

Background reading/external references

Gillian Tee

Director of Children and Families

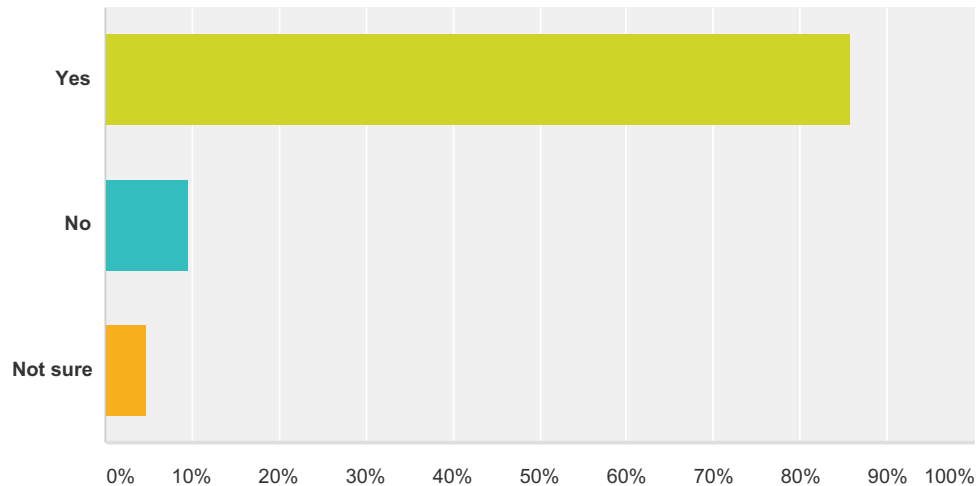
Contact: Lynne Porteous, Head of Planning and Performance

E-mail: lynne.porteous@edinburgh.gov.uk | Tel: 0131 529 2111

Coalition pledges	<p>P6 - Establish city-wide co-operatives for affordable childcare for working parents</p> <p>P12 - Work with health, police and third sector agencies to expand existing and effective drug and alcohol treatment programmes</p> <p>P36 - Develop improved partnership working across the Capital and with the voluntary sector to build on the “Total Craigroyston” model</p>
Council outcomes	<p>CO1 - Our children have the best start in life, are able to make and sustain relationships and are ready to succeed</p> <p>CO2 - Our children and young people are successful learners, confident individuals and responsible citizens making a positive contribution to their communities</p> <p>CO3 - Our children and young people at risk, or with a disability, have improved life chances</p> <p>CO4 - Our children and young people are physically and emotionally healthy</p> <p>CO5 - Our children and young people are safe from harm or fear of harm, and do not harm others within their communities</p> <p>CO6 - Our children’s and young people’s outcomes are not undermined by poverty and inequality</p> <p>CO10 - Improved health and reduced inequalities</p> <p>CO11 - Preventative and personalised support in place</p> <p>CO12 - Edinburgh’s carers are supported</p> <p>CO14 - Communities have the capacity to help support people</p> <p>CO20 - Culture, sport and major events – Edinburgh continues to be a leading cultural city where culture and sport play a central part in the lives and futures of citizens</p> <p>CO23 - Well engaged and well informed – Communities and individuals are empowered and supported to improve local outcomes and foster a sense of community</p> <p>CO25 - The Council has efficient and effective services that deliver on objectives</p> <p>CO26 - The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives</p>
Single Outcome Agreement	<p>SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health</p> <p>SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential</p>
Appendices	<p>1 - Options for New Grants Approach 2016-2019</p>

Q1 The Programmes It is proposed that we set up two programmes, the first a main grants programme (making three year awards) and the second an annual small grants programme. We propose that the main grants programme would account for 90% of the budget available with the remaining 10% set aside for the small grants programme. The assessment and recommendation of awards would be undertaken centrally for this round (2016-19) of the programmes and we will continue to review and align the approach to take account of the development of localities from April 2016 onwards. Are you generally supportive of this approach?

Answered: 21 Skipped: 0



Answer Choices	Responses
Yes	85.71% 18
No	9.52% 2
Not sure	4.76% 1
Total	21

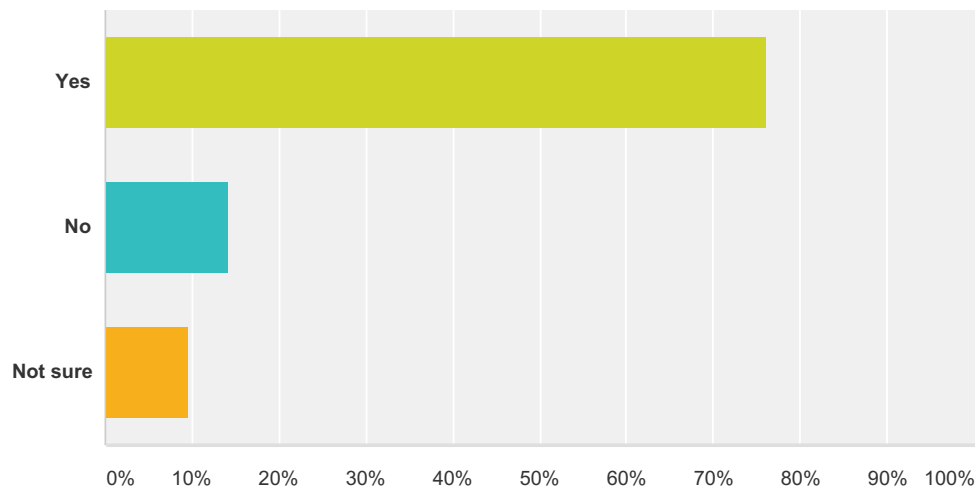
#	Specific comments:	Date
1	In principal, yes. The only concern would be the ongoing development, support and effectiveness with regards understanding and reacting to clear near within the localities structure and how the third sector is represented and heard within the process.	4/9/2015 8:36 AM

Options for Children and Families New Grants Approach 2016-2019

2	The biggest challenge is getting significant grants that will support successful ongoing work. I feel 100% of the budget should go to the main grants programme. Smaller grants are usually to support one-off pieces of work, equipment etc and while this kind of support is useful small grants are widely available from Trusts & Foundations and similar bodies and from the NP's Community Grants Fund.	4/2/2015 12:46 PM
3	I would suggest that the option of 3 year grants also apply to the small grants programme alongside annual grants. This would limit the level of administration required of the Local Authority for work they wish to see carried on over a three year period.	4/2/2015 12:04 PM
4	This will mean even more cuts to the existing services	4/1/2015 6:59 PM

Q2 Award Levels The main grants programme would have a minimum award level of £30,000 with a maximum award level of £450,000 both over the 3 year period. The small grants fund would have a minimum award level of £1,000 and a maximum of £10,000. Are you generally supportive of this approach?

Answered: 21 Skipped: 0



Answer Choices	Responses	
Yes	76.19%	16
No	14.29%	3
Not sure	9.52%	2
Total		21

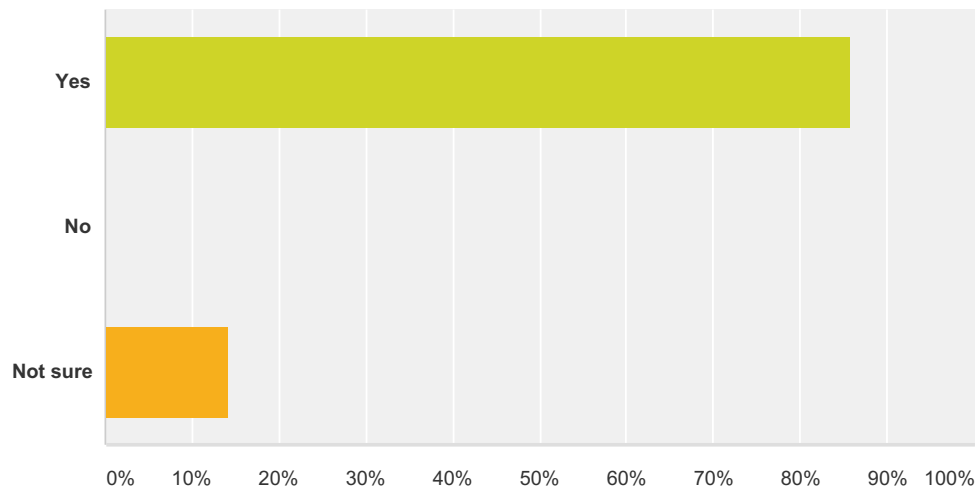
#	Specific comments:	Date
1	I think the maximum level for the main grants should be higher - because you might have a group of voluntary sector agencies putting in a joint bid for a bigger project.	4/3/2015 8:12 PM

Options for Children and Families New Grants Approach 2016-2019

2	As I am not supportive of a separate small grants fund I would not see a need to set a minimum award level. Equally I would not set a definitive maximum level. I think flexibility should be retained so that circumstances, needs etc can be assessed on a case by case basis and a higher level award than £450k could be made where there is a clear case for it, even if this is not the norm.	4/2/2015 12:46 PM
3	What about grants between 10k & 30K?	4/2/2015 11:47 AM
4	The council could achieve a greater spread of support by reducing the maximum grant to £300,000	4/2/2015 8:05 AM
5	Don't think there should be a small grants programme	4/1/2015 6:59 PM

Q3 Principles and Criteria Applicants will need to show commitment to service user involvement and working in partnership. We would also require applicants to show how their proposed activity fits in with the coalition pledges/Council priorities, commissioning plan themes and against one of the strategic outcomes of the integrated children's plan. We will provide a flow chart to assist this process and guidance notes to accompany the application form. Are you generally supportive of this approach?

Answered: 21 Skipped: 0



Answer Choices	Responses	
Yes	85.71%	18
No	0.00%	0
Not sure	14.29%	3
Total		21

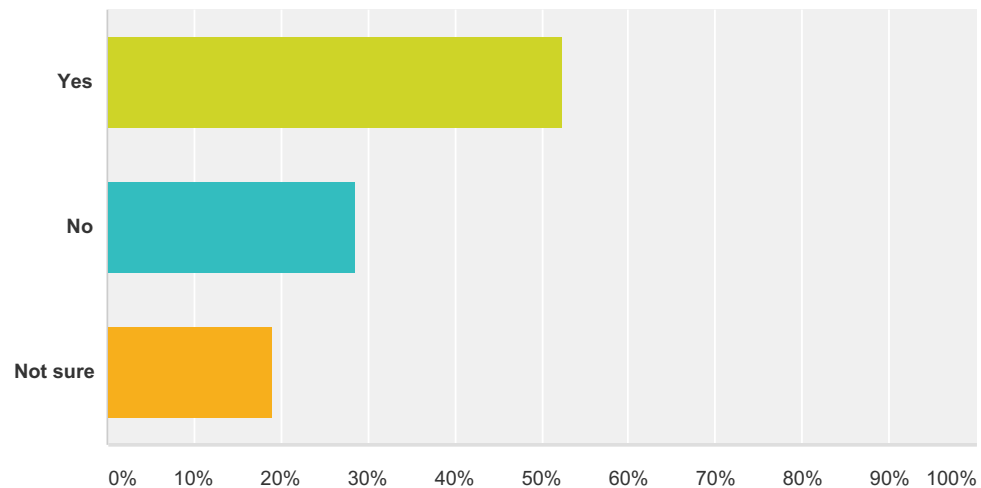
#	Specific comments:	Date
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Options for Children and Families New Grants Approach 2016-2019

1	I would support this in relation to pledges, Council priorities etc, but I would like to be clearer on how "working in partnership" is defined in this context. Sometimes working in partnership actually means avoiding duplication of work rather than joint-working and I would not want to see partnerships being forced upon agencies in the interests of box-ticking. Successful and productive partnerships need to be allowed to and frequently do evolve naturally within the sector .	4/2/2015 12:46 PM
2	There should be flexibility each year to have a category for innovation and responses to emerging trends - this would ensure important issues not yet reflected in plans can be supported.	4/2/2015 8:05 AM
3	Would SG outcomes also be part of this?	4/1/2015 4:47 PM

Q4 Core Costs There was clear support for the Council to support the core costs within the grants programme(s), however as a department we are keen that our grant investment contributes to direct service delivery. Therefore we are proposing that the proportion of any main grant programme award to be spent on core costs should be limited to 50% of the overall grant award level. This restriction would not apply to the small grants programme. Are you generally supportive of this approach?

Answered: 21 Skipped: 0



Answer Choices	Responses	
Yes	52.38%	11
No	28.57%	6
Not sure	19.05%	4
Total		21

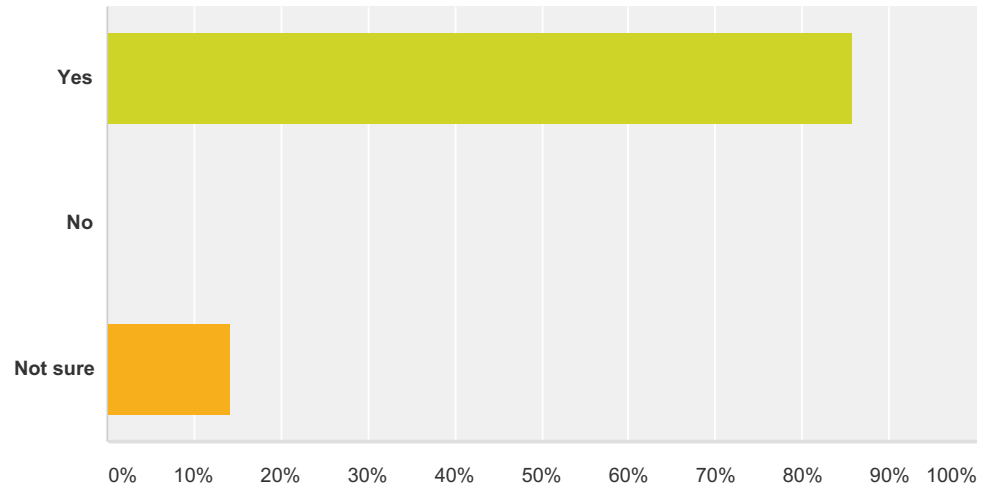
Options for Children and Families New Grants Approach 2016-2019

#	Other (please specify)	Date
1	In principle yes, but it begs the question of clearly defining core costs. Organisational core or an individual specific programme cost. Again, I am sure clarity will come	4/9/2015 8:36 AM
2	some of our very successful programmes such as mentoring the main cost is salary of staff member	4/7/2015 11:25 AM
3	I think the division between 'core costs' and 'direct service delivery' is a false one. My organisation for example delivers many services & projects where there are no clear 'direct costs' in that the service is delivered by volunteers or the projects themselves consist of local people coming together with no worker, but the background costs that encourage and enable these projects to happen are the core costs of developmental support, administration, provision and maintenance of building, volunteer recruitment and support etc. Core support is absolutely vital and the most difficult funding to access because so many funding bodies want to fund only "direct service delivery". Without secure core funding huge amounts of direct service delivery would not be possible. I really hope the department does not go down this road.	4/2/2015 12:46 PM
4	Would seem to be a high percentage of costs / grants being spent on core & management. Perhaps better to limit to 40% and provide services / meeting/ office space at a discounted level rather than spending significant sums on non direct delivery	4/2/2015 11:48 AM
5	Would it be possible to peg the percentage against the leverage the organisation is achieving, i.e. 50% core costs if the organisation is achieving over an additional 50% funding from other sources; reducing with the % additional funding achieved. Why would the restriction not apply with the small grants programme, surely it is equally applicable (but for small grants not pegged to additionality). However, it would be very helpful if one of the categories for small grants is to build the capacity of organisations or help them make the transition towards income diversification.	4/2/2015 8:05 AM
6	Core costs are essential and hard to fund from other places, the Council should not limit to 50%	4/1/2015 6:59 PM
7	Core costs make direct service delivery possible. Very few funders award core costs apart from local councils, and if this support is reduced, the significant added value for people in communities and keen costs savings created by voluntary sector services will be compromised further.	4/1/2015 5:49 PM

Q5 Application and Assessment Process
We are proposing to have two deadlines, the first to register interest, get an application form and supply a brief outline of project; the second to make a full application. This would provide the opportunity to give early feedback on the outline proposals, check out potential duplication and suggest partnership/joint applications. Assessment would initially be undertaken by a council officer followed by a panel meeting to agree consensus scores. These meetings would be observed by councillors and voluntary sector representatives to ensure adherence to agreed procedures. Briefing sessions will be held for potential applicants to 'walk through the form' and be clear about the scoring criteria. Are you generally supportive of this approach?

Answered: 21 Skipped: 0

Options for Children and Families New Grants Approach 2016-2019



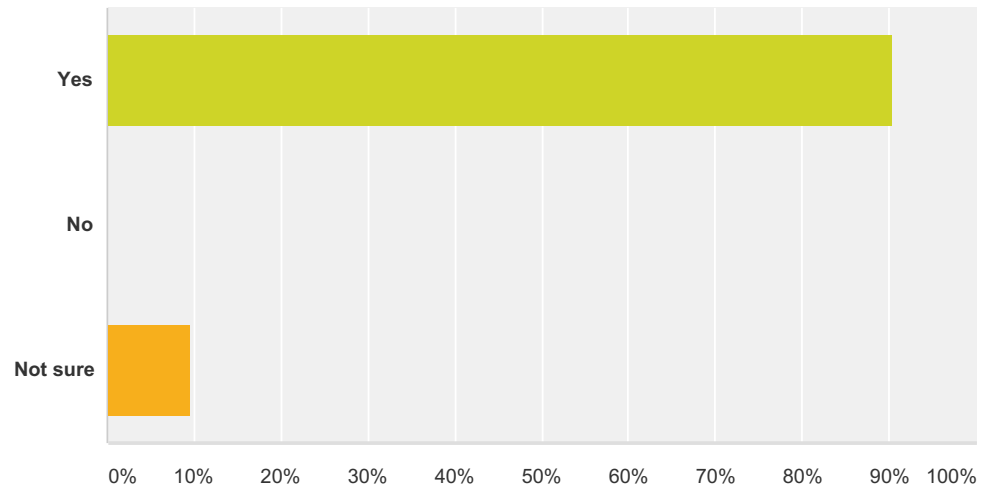
Answer Choices	Responses	
Yes	85.71%	18
No	0.00%	0
Not sure	14.29%	3
Total		21

#	Specific comments:	Date
1	This raises a number of concerns regarding the changing relationship with Council and voluntary sector, specifically within the framework of shaping and influencing how work is delivered, resourced and support is decided upon. The truncated approach to applying, receiving and enforcing partnership working is an obvious concern, which may not recognise broader community and service user needs, but may only be limited to 'a making savings' ideology. This leads to process and how effective, transparent and relevant it both appears and actually becomes. With voluntary sector representation – How is this defined and decided? and How aware will the representation be able to engage fully in bringing an understanding to the complex organisation, community and programmatic needs within the holistic sector?	4/9/2015 8:36 AM
2	My only concern is around 'partnership/joint applications'.In my experience there is little appetite in the voluntary sector for duplication of work.I see little evidence of duplication, but I do see many organisations willingly joint-working or co-operating on boundaries etc, so I am unsure why this is being highlighted. I would worry about artificially created partnerships arising from funding expediency as these could hold many potential challenges.	4/2/2015 12:46 PM
3	A two stage application for small grants seems a bit excessive. However I would agree a two stage approach for the main grants programme is acceptable.	4/2/2015 12:04 PM
4	In essence it sounds ok - would need to ensure voluntary sector representation was not tokenistic and that they don't have any vested interest in the funding awards.	4/2/2015 11:48 AM
5	there should be reasonable timescales	4/1/2015 6:59 PM

Q6 Monitoring and Review Annual monitoring report and accounts would be required and these would be scrutinised by the relevant service area and Finance. In the last year of the award a monitoring/evaluation exercise similar to a contract review would be undertaken and

led by the relevant service area. Are you generally supportive of this approach?

Answered: 21 Skipped: 0



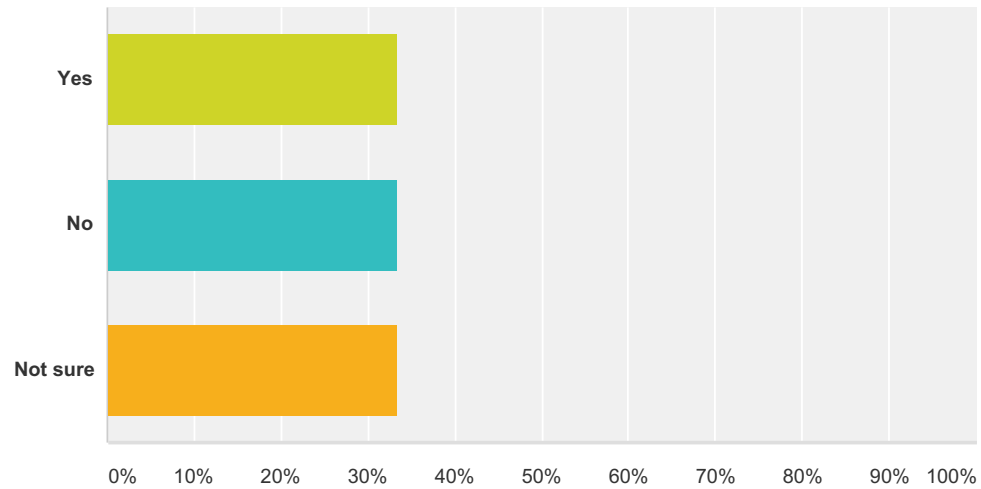
Answer Choices	Responses
Yes	90.48% 19
No	0.00% 0
Not sure	9.52% 2
Total	21

#	Specific comments:	Date
1	I have never experienced a contract review so unsure what it involves	4/2/2015 12:46 PM
2	Would be concerned that could have spent a lot of money before discovering that grant has not been used effectively or efficiently. Should be random and during the grant award period to ensure systems in place throughout and that any issues are flagged and changes made during the grant lifetime - not at the end	4/2/2015 11:48 AM

Q7 Small Grants Programme To ensure wide access to the programme and to avoid the situation whereby the same awards are made every year we propose two restrictions to this programme. The first is that an organisation cannot have more than two awards in a rolling three year period. The second is that if an organisation has a main grant programme award it cannot apply to the small grants programme. We are proposing to run the small grants programme to a different timetable with award recommendations being agreed at

the Education, Children and Families Committee meeting of 1st March 2016. Are you generally supportive of this approach?

Answered: 21 Skipped: 0



Answer Choices	Responses
Yes	33.33% 7
No	33.33% 7
Not sure	33.33% 7
Total	21

#	Specific comments:	Date
1	Not sure if it's fair to stop organisations applying for small grant programme if they have a main grant programme. The organisation might be looking to pilot a new project or expand their organisation in a different way. If it fitted with the funding criteria then they should be allowed to apply. However, I agree that you shouldn't apply for small grant programme as a 'top-up' to an existing funded project through main grants.	4/10/2015 11:26 AM
2	This does not allow Main grant organisations to support local requirements within a programmatic approach to tackling community needs and concerns - for example youth crime, changing benefits in young families etc.	4/9/2015 8:36 AM
3	Organisations should be able to apply for both small and main grants as they will run very different programmes, all of benefit to council and community	4/7/2015 11:25 AM
4	I think the small grants should be still be available for agencies who get the main grants - as they might be well placed to provide short term extra bits of work.	4/3/2015 8:12 PM
5	I don't fully understand what this means. If it means organisations are not supported for more than two years in any three years and therefore have no hope of continuous funding that's a recipe for disaster - but maybe that's not what it means. I don't think it should be a problem if the same awards are made every year if they are achieving the right results. I think it's most important that the organisations who are delivering what is needed in communities and doing it well are the organisations that are supported. Quality of service and value should be the priorities for grant awarding rather than variety of provider.	4/2/2015 12:46 PM
6	I agree that application to the main grants programme should exclude application to small grants. However, I think a case by case approach should be taken to small grant in terms of limiting grants to no more than two awards in a three year programme.	4/2/2015 12:04 PM
7	Grant awards should be on merit - outcomes and value for money	4/2/2015 11:48 AM

Options for Children and Families New Grants Approach 2016-2019

8	Generally this is fine, but if it is possible to have a category of small grants that enables capacity building for income diversification, then this should be open to main grant holders.	4/2/2015 8:05 AM
9	I'm unclear what 'an organisation cannot have more than two awards in a rolling three year period'. Does this mean that an organisation cannot have two grants running at the same time, or cannot have more than two concurrent grants? If it's the second then that would be problematic for organisations that rely on the grant to provide vital services. If it's the first then I am in general agreement with that.	4/1/2015 4:47 PM
10	it would be helpful to allow organisations to apply to both to meet a new identified and pilot a project to meet that need, which can then provide evidence to seek funding from elsewhere	4/1/2015 4:47 PM