

# Education, Children and Families Committee

10:00, Tuesday, 11 October 2016

## Member Officers' Working Group – Lessons Learnt from Review of Revenue Grants Programme

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|-------------------|-----|
| Item number       | 7.3 |
| Report number     |     |
| Executive/routine |     |
| Wards             |     |

### Executive Summary

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The Third Party Payments Working Group, comprising elected members and officers, met during 2015 to design and set the criteria for the Communities and Families Revenue Grants programme. Although implemented in line with these criteria, the subsequent assessment and grant allocation process gave rise to a number of issues. The Education, Children and Families Committee, at its meeting in February 2016, instructed that this group be reconvened and carry out a 'lessons learnt' exercise with a view to making recommendations for future grants programmes. This report lists the recommendations resulting from this exercise.

### Links

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|--------------------------|------------------------------|
| Coalition Pledges        | <a href="#">P6, P12, P36</a> |
| Council Priorities       | <a href="#">CP13</a>         |
| Single Outcome Agreement | <a href="#">SO2, SO3</a>     |

## Member Officers' Working Group – Lessons Learnt from Review of Revenue Grants Programme

### 1. Recommendations

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- 1.1 Committee is asked to approve the recommendations in section 3.

### 2. Background

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- 2.1 Communities and Families' Grant Funding exists to contribute to meeting the needs of the City as defined in the Integrated Plan for Children and Young People 2015-18 and from April 2017 in the Children's Service Plan. The Grants Programme was redesigned throughout 2014/15 and changed to a three-year open grants programme. The process run in 2015 was the first time the new Grants Programme had been open for applications.
- 2.2 Following the assessment of applications to the Main Grants Programme in December 2015, Communities and Families invited Inspiring Scotland to provide an independent and objective analysis and evaluation of the Communities and Families' application and assessment process. Its subsequent report contained a number of valuable recommendations for how the process could be improved in future, and these are included in this paper.
- 2.3 Edinburgh Voluntary Organisation Council (EVOC), as a body representing third sector interests, also carried out its own analysis of the Main Grants Programme. An unintended outcome of the programme was wide variations in grant funding across the four localities and between different sub-categories and Strategic Outcomes. EVOC makes five recommendations, and these are incorporated into the recommendations below.
- 2.4 Additionally, the applicant organisations were asked to feedback their comments via an on-line survey form. Sixteen questions requested comments on their experience of the revenue grants programme and how it could be improved. Forty nine organisations responded, of which twelve were either unsuccessful or received a one-year interim award. The feedback resulted in a number of helpful suggestions and insights, and these also form part of the recommendations below.
- 2.5 In order to further analyse the revenue grants programme, the Education, Children and Families Committee, at its meeting in February 2016, instructed that a Member Officer Short Life Working Group be set up. Chaired by the Vice Convener of Education, Children and Families, the group was made up of: 2 Labour; 2 SNP; 1

Conservative; 1 Liberal Democrat; 1 Green Member; and 1 Religious Representative. Three officers from Communities and Families were also members of the group, and two representatives from EVOC. The group met six times between April and September 2016.

- 2.6 The first meeting (19 April) set out the Terms of Reference for the group, reflected on the first phase of the Working Group and agreed the schedule of meetings and topics for discussion. The second meeting (10 May) considered the mitigating actions and support provided to organisations receiving interim funding. The third meeting (7 June) heard feedback from three other sections of the Council and their revenue grant programmes: Culture Service; Health and Social Care; and City Strategy and Economy. The group noted their recommendations and insights. The fourth meeting (21 June) identified areas for inclusion/improvement and change in future Main Revenue and Small Grants Programmes. It considered the Inspiring Scotland report, EVOC's analysis and the survey findings. Based on all of this input, the fifth meeting (23 August) considered a report with draft recommendations and points for further discussion, and guided the content and structure of the final report for agreement at the last scheduled meeting on 7 September.
- 2.7 The recommendations contained in this report, and listed below, have been jointly agreed by all members of the Working Group.

### 3. Main report

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**The following recommendations are made for future revenue grants programmes:**

#### **The Application Process**

- 3.1 Provide clear guidance and guidance notes for applicants, and set up application process support sessions.
- 3.2 Allocate funding within themes and/or geography which relate to the priorities of the new Edinburgh Children's Services Plan to ensure that provision is not based solely on application score but also reflects the strategic assessment across the city. This would help to regulate spending across all of the priorities identified by the Edinburgh Children's Partnership, help to encourage services in areas where need is greatest, and create a more level playing field for smaller, community-based organisations. Funding should be prioritised for areas of deprivation as based on SIMD data. A matrix model of assessment could be considered.
- 3.3 Apply a maximum word count per question.
- 3.4 Establish a small group of people to read all applications to provide a wider view of what is on offer. This will provide an early indication of which are strong, middling and weak applications.

- 3.5 Include a set of accounts for financial assessment alongside project information. This would be to allow Finance to assess the sustainability of the applicant organisation.
- 3.6 Include a question in the application form about the applicant organisation's previous achievements.
- 3.7 Add a question to the application form that asks applicants to demonstrate their links to the local community.
- 3.8 The Council should direct applicants towards independent support with writing applications.
- 3.9 In order to encourage funding diversity and assist assessment, the application form should include a question asking what steps each applicant organisation is taking to secure funding elsewhere. Further guidance about this will be issued in due course.

### **Training for Assessors**

- 3.10 Provide assessors with mock applications to practise on or have some 'challenge' sessions where scores are challenged between individuals and groups to reinforce scoring consistency.
- 3.11 Use fewer assessors, in line with good practice, and provide them with longer and more in-depth training. This should include training and information on charity finance and governance.
- 3.12 Training for assessors should include providing a good understanding of what constitutes core costs. Further guidance about this will be issued.

### **The Assessment Process**

- 3.13 Set up a senior or peer review group to check a representative sample of applications.

### **The Grading/Marking Scheme**

- 3.14 Document the consensus discussions to provide transparency. This could also improve the quality of feedback to unsuccessful applicants.
- 3.15 Record all scores on a spreadsheet to eliminate any possibility of arithmetical errors.

### **General**

- 3.16 Continue to explore the relationship between third party revenue grants and emerging Locality models for service delivery.
- 3.17 Introduce a cap on the amount organisations can apply for in the Main Grants Programme.
- 3.18 Offer guidance to clarify what is meant by core funding and to set out Communities and Families expectations' regarding diversity of funding.

- 3.19 Provide a brief description (50 words) of each project/award when recommendations are made to Committee. Organisations should be asked to provide this when they apply to the fund.
- 3.20 Lessons from other Council departments should be taken into account when implementing recommendations.
- 3.21 There should be a named lead officer for the grants programme.
- 3.22 Benchmark the Grants Programme against wider best practice for continual improvement.
- 3.23 Offer unsuccessful applicants an information pack detailing other funding sources and advice.
- 3.24 Investigate outsourcing, and/or partnership working, for future revenue grants programmes.
- 3.25 Once agreed, the process, including parameters put to the sector, will be adhered to throughout the entire process.
- 3.26 An Equalities and Rights Impact Assessment should be completed prior to the report going to Committee so that Members are able to make decisions that take account of that information and recommendations for action.
- 3.27 Organisations should not be expected to submit a Business Plan as the application form provides sufficient detail on project planning and sustainability.

#### **Small Grants Fund**

- 3.28 Invite applications to the Small Grants Fund from the beginning of November.
- 3.29 Include a question in the application form about the applicant organisation's previous achievements.
- 3.30 Set aside a large majority percentage of the Small Grants Fund for small local organisations, where small is defined based on Charity Finance Regulations. .

#### **Future Governance**

- 3.31 The Finance and Resources Committee as at March 2016 agreed the recommendations in the report "Future Governance of Council Payments to Third Parties" in particular that the Transformation Programme Payments to Third Parties Workstream would in due course (i) be incorporated into the Commercial Excellence Programme and (ii) be managed by Commercial and Procurement Services (CPS) as from 2016/17.
- 3.32 As of 1 April 2016, the lead function for overseeing grant management arrangements has transferred from the Strategy and Insight Division to CPS to sit alongside contract procurement. Aligning the procurement of grants and contracts for the provision of community outcomes and related services will allow for enhanced co-ordination of best practice, improved planning and avoiding duplication of effort across directorates. A key aspect of this central function will be to; (i) ensure that anticipated savings are realised and (ii) provide balanced advice to executive committees on the most advantageous investment for service users, (iii) ensure robust performance from those receiving investment and (iv) engage

with service users and directorate commissioning teams to design and deliver community outcomes. The lessons learned identified above will form a central thread of this best practice.

#### **4. Measures of success**

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- 4.1 Future revenue grants programmes in Communities and Families follow the recommendations set out in this report.

#### **5. Financial impact**

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- 5.1 Future programmes are planned and delivered to prioritise the Strategic Outcomes in the Children's Services Plan.

#### **6. Risk, policy, compliance and governance impact**

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- 6.1 This report is compliant with the Capital Coalition motion agreed at Education, Children and Families Committee on 11 February 2016.

#### **7. Equalities impact**

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- 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 advance equality and foster good relations.

#### **8. Sustainability impact**

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- 8.1 No impact

#### **9. Consultation and engagement**

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- 9.1 The views of a wide range of organisations contributed to the recommendations contained in this report

#### **10. Background reading/external references**

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[Children and Families Revenue Grants to Third Parties 2016/19 – Education, Children and Families Committee Report 11 February 2016](#)

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## 11. Links

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|---------------------------------|--|
| <b>Coalition Pledges</b>        | P6 - Establish city-wide co-operatives for affordable childcare for working parents<br>P12 - Work with health, police and third sector agencies to expand existing and effective drug and alcohol treatment programmes<br>P36 - Develop improved partnership working across the Capital and with the voluntary sector to build on the “Total Craigroyston” model |
| <b>Council Priorities</b>       | CP13 Transformation, workforce, citizen and partner engagement, budget   |
| <b>Single Outcome Agreement</b> | SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health<br>SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential   |
| <b>Appendices</b>               |  |