

# ALLOCATION OF GRANT FUNDING 2010/11 FINANCIAL YEAR

<b>Cabinet Member</b>	Councillor Douglas Mills
<b>Cabinet Portfolio</b>	Improvements, Partnerships and Community Safety
<b>Officer Contact</b>	Nigel Cramb, Deputy Chief Executive's Office
<b>Papers with report</b>	Appendices to report

## HEADLINE INFORMATION

<b>Purpose of report</b>	To allocate the Council's 2010/11 budget for supporting the Voluntary Sector and to agree the Council's 2010/11 contribution to the London Councils Grants Committee.
<b>Contribution to our plans and strategies</b>	The grants budget is used to support a range of Voluntary Sector activity. The Voluntary Sector supports the Council in achieving both the Council Plan and the Sustainable Community Strategy.
<b>Financial Cost</b>	<p>The report proposes grants for the 2010/11 financial year to local voluntary sector groups of £1,653,998 and a contribution to the London Councils Grant scheme of £874,925. These allocations can be met from within the existing Voluntary Sector Grants Budget.</p> <p>The report also proposes creating a contingency budget of £50k, of which it is being proposed that an additional grant of £20k will be allocated to Homestart. The MTFB Budget 2010/11 includes a provision of £50k for this purpose.</p>
<b>Relevant Policy Overview Committee</b>	Corporate Services and Partnerships
<b>Ward(s) affected</b>	All

## RECOMMENDATIONS

That the Cabinet:

1. **Agrees the allocation of grants to Voluntary Sector groups totalling £1,653,998 for the 2010/11 financial year as set out in the schedule attached to this report.**
2. **Approves the proposal to extend the current three year Service Level Agreement due to end March 2010 to March 2011.**

3. Approves the recommended increase in funding to Homestart of £20k, subject to funds being approved as part of the MTFB Budget 2010/11.
4. Agrees to the Council's contribution of £874,925 to the London Councils Grant scheme for 2010/11

## **INFORMATION**

### **Reasons for recommendation**

The Council is a long-term supporter of the Voluntary Sector. The sector provides a range of services that compliment or are in addition to those provided by the Council. These services are valued by the recipients and are dependent to varying degrees on the Council's grant funding.

In relation to the recommendation in respect of the Council's contribution to the London Councils Grant Scheme, the Council has the option of not approving its contribution. For the overall budget to be approved, at least two thirds of the 32 London boroughs must approve their individual budget contribution. In the unlikely event there is no agreement, the overall level of expenditure for the Grants Committee reverts back to the previous year's budget.

### **Alternative options**

The Cabinet has the following alternative options:

- 1 Agree the recommendations subject to any changes the Cabinet wishes to make or
- 2 Reject one or more of the recommendations.

### **Supporting Information**

For the 2009/10 financial year the Council allocated £1,682,248 to community groups, including groups on three year Service Level Agreements. The 2009/10 allocations include grants to Hillingdon Sports Council and the Town Twinning Association totalling £27,500 and £750 respectively and these allocations have now been removed from Council's grant budget and transferred to Sports and Leisure.

Accompanying the report is:

- a summary of bids and recommended allocations for 2010/11
- a summary report of progress of organisations subject to a Service Level Agreement
- a schedule of the legal statutes under which grants to organisations can be awarded

In previous years the Council has included an annual inflationary upgrade to organisations with Service Level Agreements. However with inflation at zero no inflationary upgrade will be awarded for the 2010/2011 financial year and grant allocations for all groups will remain at the 2009/10 level with the exception below.

Within this financial year (2009/10) two additional grant allocations were made to sustain organisations through difficult periods. A one-off additional grant of £30,000 was made to P3 to support their Navigator Service and an additional grant of £20,000 was provided to Homestart Hillingdon and is subject of recommendation 3 within this report.

Homestart have been particularly affected by the coming to an end of funding secured from the Big Lottery programme which they used to expand the services it provides to vulnerable Hillingdon families. Whilst Homestart were able to previously negotiate an extension to their

initial three year grant allocation and secured a full five years worth of funding, this is the maximum period allowed under the Big Lottery's funding conditions.

Homestart are facing a shortfall of £35,000 and it is recommended that an additional £20,000 be committed to the Council's current annual contribution of £56,375 making a total of £76,375. Normally a request to meet lost core funding is resisted, but on this occasion an increase is justified if solely on the grounds that if it prevents one family from reaching crisis point (and prevents children from having to be taken into care) then it is a cost effective investment. In putting forward the recommendation account has also been taken of the attempts by Homestart to secure funds from external sources. It is not through lack of effort or focus that they have not been able to secured replacement funding.

The criteria for Homestart's service is that the family must live in Hillingdon, have at least one child under five and have a need which is appropriate for a volunteer to support. This includes isolation, emotional and/or practical help and supporting parents of children with additional needs. The 'target group' is families who are struggling and whose needs are not able to be met by other services and/or families who are deemed 'hard to reach'. Parents are sometimes more likely to engage with Home-Start because it is non-statutory and therefore seen as less threatening or intrusive.

Homestart currently support some 90 plus Hillingdon families with some 180 children with emotional and practical support until a point is reached where both Homestart and the family agree the support is no longer required.

Homestart are currently working with the boroughs Children's centres to develop a sustainable long term relationship. Once secured this will serve not only to make the strategic and operational links between the services but will also serve to assist in making Homestart's long term financial future more secure.

### **Service Level Agreements**

Age Concern, Crossroads, Heathrow Travel Care, Hillingdon Carers, MIND, Hillingdon Shopmobility and Homestart were the first group of organisations the Council agreed should be offered the benefit of three year funding agreements linked to a service level agreement. These agreements are all scheduled to come to an end in March 2010 and it is recommended that to give time to renegotiate these agreements that the existing agreements are extended by one year to March 2011.

### **Contribution to London Councils Grants scheme**

The Council has received details of the proposed budget for the London Councils grants scheme (Formerly Association of London Government) for the 2010/2011 financial year.

At its meeting on the 11th November the London Councils Leaders Committee agreed to recommend to its constituent Councils a budget of £30,116,000 for 2010/2011. Hillingdon's contribution is £874,925. This is a very similar amount to the Council's 2009/2010 contribution.

For the budget to be approved, at least two thirds of the 32 London boroughs must agree their individual budget contribution. In the event that there is no such agreement the overall level of expenditure for the Grants Committee reverts back to the previous year's budget.

## **Financial Implications**

Financial comments on individual groups are available as a summary appendix to this report.

The current base budget for 2010/11 is sufficient to fund the proposed allocation of existing grants to both the Voluntary Sector (£1,653,998) and the London Councils Grants scheme (£874,925) as set out in the report.

The MTFB Budget Build for 2010/11 includes a provision of £50k for the creation of a Voluntary Sector Grants support contingency. The additional £20k increase in the grant for Homestart will be drawn down from this contingency, subject to the approval of the budget growth item.

## **EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

### **What will be the effect of the recommendation?**

The grants budget is used to support all aspects of community activity in the borough. Therefore allocations have an impact on all of the topics listed below:

- *Crime & Disorder*
- *The Local Environment*
- *Health & Well-being*
- *Older People*
- *People with Disabilities*
- *Children / Young People*
- *Resident's'*
- *Service Users*
- *Community Groups*
- *Value for Money*
- *Equalities*
- *Staff*

### **Consultation Carried Out or Required**

The grant application process requires organisations to submit detailed application forms containing information on their services to the sections of the community they serve, which includes

- *Older People*
- *People with Disabilities*
- *Children / Young People*
- *Resident's*
- *Service Users*

## **CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed the report and is satisfied that there is sufficient funding in the current base budget 2010/11 to fund the proposed allocation of existing grants to the Voluntary Sector (£1,653,998) and the London Councils Grants scheme (£874,925). The proposed creation of a £50k Voluntary Sector Grants support contingency has been included in the MTFE budget build for 2010/11.

Homestart has been affected financially by the coming to an end of funding secured from the Big Lottery programme and the proposed allocation of £20k will ensure that Homestart continues to provide valuable services to vulnerable Hillingdon families.

### **Legal**

There is no statutory obligation on the Council to provide grant funding to the Voluntary Sector and it therefore does so on a discretionary basis. The Council's discretion in this respect must be exercised reasonably in order for it to be able to withstand a successful legal challenge and there is nothing within this report, which suggests that it is unreasonable in any way.

In order for the Council to be able to provide discretionary grant funding, there must be an express or implied power in existence. In the Appendix to the report, a number of specific statutory provisions have been identified, which give the necessary authority to the Council provide such funding.

It is the view of the Borough Solicitor that the Council can also rely upon the overarching well-being power contained in Part I of the Local Government Act 2000 which provides that a local authority can take a variety of steps, including the power to incur expenditure to promote or improve the economic, social or environmental well-being of its area.

### **Corporate Property**

The report has no direct property implications.

### **Relevant Service Groups**

The relevant service departments were consulted where appropriate.

## **BACKGROUND PAPERS**

Applications forms held by Partnerships Business and Community Engagement Team.

## **Papers with this report**

- Summary Service Level Agreements and Annual Grant recommendations 09-10
- Summary of Annual Main Grants Applications 2010/11
- Summary progress report of Service Level Agreements
- Finance Comments on Voluntary Sector Accounts
- Legal Statutes for groups on Service Level Agreements and Annual Grants