

**Name of meeting:** Cabinet

**Date:** 21<sup>st</sup> September 2022

**Title of report:** Community Plus Investment Scheme “Do Something Now” Amendments

**Purpose of report:** This report seeks Cabinet approval for amendments to the existing scheme which invests in community activities delivered by individuals and community organisations in Kirklees’ Voluntary, Community and Social Enterprise sector (VCSE)

**Contact Officer:** Carol Gilchrist, Head of Local Integrated Partnerships

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**Service Director:** Jill Greenfield, Service Director, Customers and Communities,

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<b>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	Yes, the scheme is in excess of £250,000 over a financial year and covers all Kirklees Wards
<b>Key Decision - Is it in the <u>Council’s Forward Plan (key decisions and private reports)</u>?</b>	<b>Key Decision – Yes</b> <b>Private Report/Private Appendix – No</b>
<b>The Decision - Is it eligible for call in by Scrutiny?</b>	<b>Not Applicable</b>
<b>Date signed off by <u>Strategic Director</u> &amp; name</b>  <b>Is it also signed off by the Service Director for Finance? YES</b>  <b>Is it also signed off by the Service Director for Legal Governance and Commissioning? YES</b>	<b>Director of Children’s Services Mel Meggs SLT – 16.03.22</b>  <b>Director for Adults &amp; Health Richard Parry – 14.03.22</b>  <b>Service Director for Legal, Governance &amp; Commissioning Julie Muscroft – 07/07/2022</b>  <b>Finance Service Director Eamonn Croston – 07/07/2022</b>
<b>Cabinet member <a href="#">portfolio</a></b>  <b>Health and Social Care</b>	<b>Cllr Musarrat Khan</b>  <b>11.07.22 &amp; 08/08/22</b>

**Electoral wards affected: All**

**Ward councillors consulted:**

**Public or private: Public**

**Has GDPR been considered?** The Report does not include personal data that identifies a living individual

## 1. Summary

### **Improvements**

Following an internal audit of the Fund in early 2021, Community Plus took action to implement the recommendations. In May 2021, we appointed a Community Partnership Manager (CPM) as a single-point-of-contact, a move which is already improving consistency and clarity around our approach and processes. The CPM is establishing and nurturing relationships with community groups and carrying out project-monitoring to ensure groups deliver on-time, on-budget and in-line with eligibility and sustainability criteria.

We have worked closely with Finance and Audit & Risk to re-design the CIF application and monitoring documentation and implement robust internal processes and audit trails. We have also collaborated with the Community Investment Manager and Third Sector team to establish new procedures to avoid duplication of VCSE funding by different services within the Council.

Whilst we are clear we want to ensure financial regulations are met we want to strike a balance with the understanding that the process is not onerous for groups to complete thus having a negative impact on their ability to apply for the funding against the need for proportionate governance.

### **Reasons for requesting changes**

Based on learning from the first implementation phase of the CIF, the exponential expansion of the Fund during the Covid-19 pandemic and the internal audit, we seek Cabinet approval for various amendments to the scheme as detailed below.

Most importantly, from the start, we have developed these amendments in co-production with the VCSE, in line with the vision of the draft VCSE Investment Strategy. We have listened to feedback and sought opinions and valuable insight from Councillors, volunteers and VCSE workers who are entrenched in the day-to-day front-line work of our Third Sector. These amendments reflect the Sector's wishes for the funding to go further, with fairer allocation, a wider criterion which includes supporting existing and thriving projects and clearer, more simplified processes throughout the bidding, Panel and monitoring procedures. We have listened to our VCSE and sought mutually agreeable ways forward to make the Fund a fair and equitable resource available for all and we will continue to listen, reflect and look for opportunities to improve and develop.

The current cost of living crisis is not only impacting on individuals and businesses, but our VCSE partners are feeling the financial pressure, including the increased demand for support from within communities. This grant funding resource provided directly into communities will inevitably help ease some of the current difficulties faced by our communities in Kirklees.

## 2. Information required to take a decision

Proposed change	Reason for change
<p>Change the fund name to:  <b>Community Plus Fund</b> with the strapline  <i>“Supporting Good Life projects in Kirklees”</i></p>	<p>Based on anecdotal and survey evidence (<a href="#">Appendix A</a>) common confusion around the existing title/s, multiple names being used, lack of ownership and phonetic duplication with the <i>SIF</i> fund run by Homes &amp; Neighbourhoods</p>
<p>Large grants will be capped at £25,000 (previously £50,000) and available for projects lasting up to 24 months (previously this was 12 months)</p>	<p>To enable broader distribution of the funding pot and give groups opportunity to be supported and develop over a longer period. Panel has recommended this to be a positive change due to learning that smaller awards often have the most community benefit/return on investment.</p> <p>The average grant amount for 2021-22 was £12,500 and only 4 bids over £25K were approved by panel.</p>
<p>As CIF grant payments can overlap financial years, it has been acknowledged that unspent but committed funds can be rolled forward at year-end and held in a central reserve account to ensure funds are available in future years</p>	<p>This roll-over has occurred previously but, as it was not officially stipulated in the original Cabinet report, we would like to add it now for clarity</p>
<p>Any applicant awarded a Small or Large grant cannot bid again within 12 months of the end date of their funded project</p> <p><b>This also links with the following clause</b></p>	<p>This encourages self-sustainability for groups and funded projects. Ensuring projects consider how they will continue once the CIF funding ends.</p> <p>Evaluation of the current scheme over a 4-year period has evidenced some groups re-apply year on year for similar projects. This does not support continuity of provision. We want to encourage, and work to support groups to develop sustainable models for the all the projects we fund.</p> <p>By focusing on smaller, local VCS organisations, we will be able to support them to make funded projects sustainable without them <i>‘reinventing the wheel’</i> and returning for more funding year-on-year. This will ultimately have a more positive and enduring impact on our communities.</p>

<p>That grants support both existing AND new initiatives. Proviso being that an existing initiative “<i>is already being successfully delivered and as a result of this success has plans to extend and upscale its offering <u>and</u> improve its reach and inclusivity for potential beneficiaries</i>”</p>	<p>Currently criteria states that funding cannot be used for “<i>maintaining an existing service or project without offering improvements or enhancements</i>”. Learning has shown this definition to be vague and open to differing interpretation at Panel.</p> <p>The ethos of the Fund is to support new ideas however it is also about encouraging and promoting inclusivity. VCSE feedback has demonstrated that groups are frequently seeking financial support to expand and widen the reach of successful projects.</p> <p>Our current criteria does not support our ethos for sustained community provision. Changing the criteria to allow continuity funding to support existing projects (not already funded by us) and support to develop a self-sustaining model of delivery we will be actively enhancing the long term provision of the successful community based support across Kirklees.</p>
<p>Do not clawback an underspend of less than £100 if the group has submitted satisfactory end-of-project monitoring</p>	<p>Learning has shown this is not a cost-effective process</p>
<p>Stipulate that a group must be Grant Access Point-registered (for bids £1k +) prior to an application proceeding to Panel along with the following recommendations:</p> <p><b>Groups with GAP score 1a can bid up to £5,000</b>  <b>Groups with GAP score 3 can bid up to £10,000</b>  <b>Groups with GAP score 5 can bid up to £25,000</b></p> <p>We will continue to work alongside the Third Sector team to support groups to improve their GAP score. If the GAP scoring system is amended at any point, we will maintain the tiering system in line with the above levels with consultation and authorization from Head of LIPs and Senior Finance Officer</p>	<p>GAP is the Council’s <i>due diligence</i> mechanism for voluntary and community groups. Registration is carried out by the Third Sector team and lasts 3 years. The team reviews key documents provided by the group and gives feedback on governance, management, financial arrangements and policy, H&amp;S and safeguarding.</p> <p>The new tier system recommendations will support groups to pitch their bids at an appropriate and realistic level. We will trial this system for the year 2022-2023 with support from the Third Sector Team</p>

<p>Require that risk assessment and safeguarding documentation is provided to support bids under £1k IF deemed necessary by the Service Manager. If required, we will log that this documentation is in place, the date it was created &amp; signed and that we had sight of it</p>	<p>This ensures that groups which don't require GAP registration are still accepting responsibility for implementing safeguarding and H&amp;S practices IF their project involves vulnerable people or any elements are deemed to be of higher risk</p>
<p><u>Quoracy</u>  Panel must be held with a <u>minimum</u> of 5 members present, including at least 1 VCSE representative. <u>Maximum</u> attendance will be 5 KMR representatives plus 5 VCSE representatives plus Chair.  If a vote is evenly split, the Chair will have the casting vote.  Panel composition <b>(See Appendix B)</b></p>	<p>To clarify the position on quoracy and Panel composition</p>
<p>At Half-Way and Final Monitoring stages, applicants are expected to supply clear information which provides comparison of the projected and actual benefits, outcomes, outputs and costs.</p> <p>Applicants will be required to provide evidence of costs to be supplied and broken down in a format agreed by the Senior Finance Officer or Head of Local Integrated Partnerships.</p> <p>Monitoring will be verified by the Community Partnership Manager in consultation, where required, with an Internal Audit representative, Community Plus Service Manager and / or Senior Finance Officer, as required.</p>	<p>To provide due diligence on the adequacy of submitted project monitoring and financial information and re-appropriate shared accountability for final sign-off so it is not the sole responsibility of the CPM</p>
<p>Any individual or group failing to provide required monitoring information within an established deadline be subject to a legally defined clawback process and excluded from receiving future grants for a period of 24 months</p>	<p>Each year so far there have been groups who failed to deliver the required evidence of project outputs, outcomes and financial records to match the original grant award. There is currently no procedure in place to deal with these scenarios.  We continually support groups with their monitoring throughout the timescale of a project and we make it clear at the outset of the funding process what those requirements will be.</p>

<p>State that a grant can only be awarded for one project, per organisation, per application form</p>	<p>Learning has shown that Panel does not favour multiple projects <i>rolled into</i> one application as it can diffuse focus and creates complexities in analysing outputs and outcomes at the monitoring stages</p>
<p>The service director will approve appropriate documentation setting out the way in which the grants will be applied for, processed, approved, controlled and paid for in accordance with the principles set out in this report.</p> <p><b>DIRECT COSTS</b></p> <p>We will fund all Direct Costs for a project lasting up to 12 months (24 months for bids over £5k)</p> <p>Direct project costs are costs of a project which are clearly and directly incurred as a result of the project. For example, the salaries of specific project staff and facilitator fees, volunteer expenses, venue, vehicle or equipment hire, project materials, and all other costs easily identifiable as part of the project.</p> <p><b>INDIRECT COSTS</b></p> <p>We will make a reasonable and fair contribution towards your indirect costs for the duration of the project but, in total, this contribution cannot exceed 20% of your total bid and must be justified as reasonable in the circumstances.</p> <p>Indirect project costs are overheads or support costs which are necessary for the organisation to operate, but do not relate specifically to one project, such as management, administration, stationery and premises costs such as rent, heat, lighting, phone &amp; broadband.</p> <p><b>CAPITAL COSTS</b></p> <p>Capital Costs will be considered. For the purposes of this Fund, Capital refers to larger scale and longer term, asset-related works or items. These will be considered, subject to an appraisal of the proposal and its outcomes. In relation to any investment in premises, the applicant must own the premises or have a long leasehold interest – usually more than 20 years, and the grant cannot be used to pay for anything which is the landlord’s responsibility. Applicants are expected to obtain competitive quotes for</p>	<p>To make the application and financial breakdown process clearer, less ambiguous, and more consistent for applicants, for Panel members and for monitoring purposes.</p> <p>New wording on documentation to prompt applicants to itemise types of costs.</p> <p>Limit Indirect Costs up to 20% of the total bid. Experience has shown that applicants submit expenses for full annual running costs of their operation when the project specified in the funding is just one element of their work</p> <p>Capital costs will be considered on a bid-by-bid basis. Evidence has shown that asset-related works or items help support the sustainability of projects and allow us to support a wider range of types of project which reach the heart of communities and offer longer-lasting outcomes.</p>

<p>capital costs and justify the position if they do not obtain quotes or do not choose the cheapest supplier. Obtaining competitive quotes is obligatory prior to an application progressing to Panel, if the total value of the capital costs required exceeds £10,000.</p>	
<p>Ten working days before Panel, all applications to be emailed to relevant ward Cllrs with an invitation to respond with comments and recommendations by a set date (five working days before Panel so feedback can be added to Agendas for Panel consideration). Post-Panel, a decision summary be forwarded to Cllrs after Minutes have been prepared and groups have been notified of decisions</p>	<p>Due to lack of current clarity, timeline and process around our pre- and post-Panel communication with Cllrs.</p> <p>Going forward, it will be made clear on Fund guidance and process documentation that Cllr comments will be shared with the Panel and taken into consideration by Panel members.</p> <p>These proposals have been prepared by Community Plus in consultation with the Active Citizens &amp; Places Manager.</p> <p>Deadlines need to be in place to ensure this Cllr consultation can dovetail into the bid process and be realistically and consistently actioned.</p> <p>This process and the timeframes stated will be continually monitored and adjusted if required and dialogue between C+ and the ACP team will continue to ensure we effectively meet the requirement for Cllrs to be informed of upcoming bids.</p>

### **3. Implications for the Council**

#### **3.1 Working with People**

The Fund already plays a significant role in assisting the EIP agenda, by helping grow the capacity and reach of community activities, connecting people at the local level to encourage residents to be more active and better involved in their local area, improving their wellbeing and health. Community Plus is working with a cross section of community-based groups who contribute to the wellbeing of people across Kirklees. CIF projects assist with reducing pressure on statutory services, preventing, or delaying people needing intervention. Activities such as drop-in groups, self-help support groups, activities to get people mobilised and connected with each other in their local area help prevent loneliness and isolation, keeping people well and independent for longer.

#### **3.2 Working with Partners**

The Fund helps support third sector, community-based organisations, and contributes to the local economy, strengthening the sector through investment and



developing enterprise. Increased involvement in community life assists people with levels of confidence, which for some will lead to increased employability as they seek to enhance their skills once they gain confidence, deal with life challenges, and feel better about their opportunities.

### **3.3 Place Based Working**

The Fund is designed to support local third sector, community-based organisations to deliver local self-help and community-based solutions will be more accessible for people to access. These are informed by the needs of local people in the places that they live and complement the Place-Based operating model.

### **3.4 Climate Change and Air Quality**

While there aren't specific expectations around green projects / climate emergency, some projects will contribute positively to the climate change agenda and consideration will be given to ensure proposals do not have any potential detrimental impact upon climate change and air quality.

### **3.5 Improving outcomes for children**

The scheme will be open to projects that benefit people throughout the whole life course, but it is anticipated that a significant proportion of projects and interventions that receive investment will benefit children and young people, including those with disabilities, as well as supporting family and community life.

### **3.6 Financial Implications for the people living or working in Kirklees**

The scheme will help support third sector, community-based organisations, and contribute to the local economy, strengthening the sector through investment and developing enterprise. Increased involvement in community life will assist people with levels of confidence, which for some will lead to increased employability as they seek to enhance their skills once they gain confidence, deal with life challenges, and feel better about their opportunities.

### **3.7 Other (e.g., Integrated Impact Assessment (IIA)/Legal/Financial or Human Resources) Consultees and their opinions**

As well as considering other implications, you should add in here a paragraph making appropriate reference to the IIA.

A decision is sought in accordance with the Council's Financial Procedure Rules (FPR's) - updated May 2022 to approve the distribution of grant funding totalling up to £1,000,000. The relevant section of FPRs is Section 22.11.1 a) and c) relating to Cabinet approval for a scheme of grants such as the scheme set out in this report, and where there is budget provision to do so. The Council has legal powers to authorise the grant scheme, and under the general power of competence under S1 of the Localism Act 2011. The Council is under a duty of best value under the Local Government Act 1999 in terms of awarding the grants.

#### **4. Next steps and timelines**

Subject to Cabinet approval, next steps will be to implement the Fund amendments in section 2.

#### **5. Officer recommendations and reasons**

That approval be given to the amendments to the existing scheme, as set out at paragraph 2 of the report.

#### **6. Cabinet Portfolio Holder's recommendations**

That approval be given to the amendments to the existing scheme, as set out at paragraph 2 of the report.

#### **7. Contact officer**

Carol Gilchrist – Head of Local Integrated Partnerships  
[Carol.gilchrist@kirklees.gov.uk](mailto:Carol.gilchrist@kirklees.gov.uk)

#### **8. Background Papers and History of Decisions**

The 'Community Plus – Community Invest Fund' (CIF) was approved by Cabinet in October 2018 under the title "*Do Something Now*".

The funding enables individuals and community-based third sector organisations to deliver Kirklees-wide or ward-level projects to improve health and well-being, increase individual and community capacity and prevent, reduce or delay the need for statutory intervention in people's lives and therefore eases pressure on Council services. Applications are regularly presented to two Panels of experienced internal and external VCSE partners for consideration, debate and decision-making. VCSE Panel members will adhere to guidelines including the requirement to declare any conflict of interest and not participate in scoring or decision-making if such circumstances arise.

The CIF operates within the framework of the priorities outlined in the draft VCSE Investment Strategy 2021 – 2024. As per the Strategy, the CIF is an investment in the VCSE which builds trust and transparency, creating an environment for partners to work alongside each other. The CIF invests in those best-placed to provide the service or support by recognising and valuing each other's strengths and increases VCSE resilience and sustainability. In line with the Strategy, CIF welcomes, captures and maximises the VCSE capacity to be innovative, accessible and agile in response to changing needs of the communities we serve. Work is currently taking place to streamline and consolidate the Council's current funding arrangements to ensure that our approach to funding is joined up and co-ordinated, transparent, aligns with our shared values, strikes a balance between due diligence, consistency and proportionality and that support is provided across the system to ensure resources and capacity align with need.

#### **9. Service Director responsible**

Jill Greenfield - Service Director for Customers & Communities  
[Jill.Greenfield@Kirklees.gov.uk](mailto:Jill.Greenfield@Kirklees.gov.uk)

# APPENDICES

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## Appendix A

### Online internal survey of Community Plus Community Coordinators:

Questioned: *What do you call the fund when talking to the public?*

**25% CIF funding**

**25% Community Investment Fund**

**25% Do Something Now**

**15% Community Plus funding**

**10% the CIF**

## Appendix B

Small Panel	Large Panel
<b>Chaired by a C+ Service Manager</b>	<b>Chaired by Head of LIPs</b>
<b>Community Partnership Manager</b>	Community Plus Service Manager/s
<b>Community Plus Team Manager/s</b>	Community Partnership Manager
<b>Senior Finance Officer</b>	Community Plus Team Manager/s
<b>Third Sector team representative</b>	Senior Finance Officer
<b>Local Area Coordination Manager</b>	Third Sector team representative
<b>External Partner – pool of partners</b>	External Partner – pool of partners
	Community Investment Manager
	Commissioning & Partnerships representative
	Children & Young People service representative
	Adult Social Care representative