

EAST RENFREWSHIRE COUNCILCABINET18 August 2016Report by Deputy Chief ExecutiveRESPONSE TO THE AUDIT AND SCRUTINY COMMITTEE'S INVESTIGATION ON
FUNDING FOR COMMUNITY AND VOLUNTARY GROUPS**PURPOSE OF REPORT**

1. To submit a response for Cabinet consideration to the Audit and Scrutiny Committee's Investigation on Funding for Community and Voluntary Groups.

RECOMMENDATION

2. It is recommended that the Cabinet consider and approve this response to the Audit and Scrutiny Committee's report of 7 April 2016 on its investigation on funding for community and voluntary groups.

BACKGROUND AND REPORT

3. Between September 2014 and December 2015 the Audit and Scrutiny Committee undertook an investigation on funding for community and voluntary groups and submitted its report and findings to Cabinet on 7 April 2016.

4. The scope of the Audit and Scrutiny Committee's investigation included; the Community Fund, Tenants Association Grant Fund, Education Grant Fund and Whitelee Windfarm Fund.

5. Some 21 recommendations were made by the Committee. Appendix 1 of this report lists the recommendations and highlights responses for Cabinet consideration and approval.

CONCLUSION

6. The Audit and Scrutiny Committee undertook a detailed investigation of funding for community and voluntary groups in which it made 21 recommendations.

7. Grant awarding departments have considered the recommendations and contributed to the response in this report.

RECOMMENDATION

8. It is recommended that the Cabinet consider and approve this response to the Audit and Scrutiny Committee's report of 7 April 2016 on its investigation on funding for community and voluntary groups.

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Audit & Scrutiny Committee Investigation on Funding for Community and Voluntary Groups – Recommendations and Response

INTRODUCTION

The following recommendations were made by the Audit & Scrutiny Committee following its investigation on funding for community & voluntary groups, responses are highlighted below each recommendation.

1. A method of determining and providing access to the total amount of Council funding awarded or allocated to a single organisation should be established and would be useful to reflect on when funding issues are being considered in the context of scarce financial resources.

Agreed- LAGAN provides the central database of information that meets this recommendation. Award making departments will be asked to ensure Lagan information is up to date. This will provide the total amount of grant funding allocated.

2. The way information on funding streams is presented on the website should be reviewed and, when this is completed, related publicity should be organised.

Agreed- Separate pages will be created on the Council website highlighting the 4 Council Schemes (Community Grant Scheme, Tenants' Association Grant Scheme, Education Grants Scheme, and Strategic Fund) which will enable more detailed information to be freely available.

3. That the arrangements for dealing with low level grants be clarified further in terms of the Scheme of Delegated Functions and a more consistent approach be introduced.

Agreed

4. That a monitoring form be introduced as referred to above which would be in line with what the Cabinet agreed previously and introduce additional "spot check" safeguards.

The current application form asks applicants to provide detailed information in respect of the purpose of the application and which SOA outcomes any application supports. If funding is awarded on the basis of the information provided and the project goes ahead "spot check" monitoring arrangements can be introduced in a way that is proportionate to the amount of funding awarded. It is important to acknowledge the capacity of officers who would be expected to monitor applications relative to the amount of funding awarded.

5. Recommendations approved by the Cabinet should be implemented and, if not, Cabinet members should be advised of this and the reasons why actions could not or were not pursued.

Agreed

6. Where not already in place, written procedures covering the entire processing of grants should be prepared and made accessible with instruction on how to use the Lagan system included.

Agreed - grant holding departments will be contacted in this regard to ensure written procedures are in place, where this may not be the position support and assistance will be offered to support the department. Again departments will be encouraged to simplify and streamline their processes as part of this.

7. Feedback be proactively and periodically sought from a sample of applicants on their experience of and perspectives on using the application form, related guidance and the procedure as a whole.

Agreed

8. That it be considered if there are any further parts of the grants process that could be improved through the application of digital technology.

Agreed - This will be considered as part of departmental change programmes. Moving towards a completely online system would make the process simpler and this will be investigated.

9. The reasons why decisions are made, particularly when applications are being refused, should be specified and recorded fully and always provided to applicants.

Agreed – all grant awarding departments to implement immediately.

10. A summary of grants awarded should be published annually on the Council website.

Agreed

11. A financial threshold should be considered for applications above which comments should be requested from Ward Councillors in which the organisation is based and setting a deadline by which such comments must be submitted.

Agreed - This is not applicable to the Whitelee Windfarm Fund however for all other award funding streams Cabinet is asked to consider an application threshold of £500 beyond which ward members would be consulted.

12. Every effort should be made to ensure that the composition of any grant decision making body is as independent as possible.

Agreed - The composition of the Whitelee Windfarm Fund was agreed by Cabinet.

13. Consideration should be given to introducing a timescale for the issue of grant funds.

Not applicable – the Guidance notes already set out the timescale within which applications should be considered in addition the timescale associated with Whitelee Windfarm Fund including annual panel meeting was agreed by Cabinet.

14. Checks should be considered to ascertain if timescales are being adhered to and, if this is not the case, this should be addressed.

Agreed

15. Applicants should be required to submit accurate and researched estimates of expenditure.

Agreed

16. Consideration should be given to establishing some financial criteria for awarding grants.

Not applicable - Cabinet has agreed criteria in relation to the Whitelee Windfarm fund and Community Grants Fund. More generally applicants need to be constituted i.e. recognised as a community/voluntary group and be prepared to submit receipts following grant expenditure. It should be noted that many grants are lower level i.e. below £500 therefore consideration should be given to the status quo to ensure a level of bureaucracy that is commensurate with an award level.

17. The introduction of more objective criteria against which the strength or otherwise of the applications we have focused on (non-WWF) can be judged should be explored.

Agreed

18. That it be reinforced to applicants and in associated guidance, that conditions of grant must be strictly applied.

Agreed

19. That there is closer scrutiny of project plans and the integrity and ability of applicants to carry them successfully through to completion; and should such an issue with an applicant arise, the appropriateness of granting future funds to the applicant carefully considered.

Note; Grant Reporting Officers already take these matters into account when investigating grant applications it is not viewed as necessary to introduce further scrutiny. In addition the history of applicants' management of previous grant awards is already a factor taken into account when considering subsequent grant applications. The status quo is regarded as proportionate.

20. That, in consultation with some applicants, the clarity of the guidance provided on how any element of in-kind support is dealt with is reviewed and clarified further if considered appropriate.

Agreed

21. It is reinforced to departments that every effort should be made to implement internal audit recommendations that have been accepted within the specified timescale for doing so.

Agreed