

**Report to:** Cabinet

**Date:** 11 February 2019

**Title:** Voluntary Sector Support

**Report of:** Ian Fitzpatrick, Director of Regeneration and Planning

**Cabinet member:** Councillor Tony Nicholson, Cabinet Member for Customers and Partners

**Ward(s):** All

**Purpose of report:**

1. To seek Cabinet approval for amendments to the Council's policy on grants to voluntary organisations.
2. To report on the performance of those voluntary organisations funded by the Council in 2018/19.
3. To agree grant funding for 2019/20.

**Decision type:** Key decision

**Officer recommendation(s):**

1. To approve the proposed policy on grant funding, as set out in Appendix A.
2. To approve an extension to the grant awarded to BHT in 2018/19 for their support to Lewes District residents needing to claim Universal Credit.
3. To agree the allocation of funding to voluntary organisations for 2019/20 as set out in paragraph 2.24 subject to the grant conditions set out in Appendix A.

**Reasons for recommendations:**

The Council may choose to give grants to voluntary organisations and currently funds a small number of strategic voluntary sector organisations which provide a range of essential services to our residents which address key council priorities.

The proposed amendments to the Council's Voluntary Sector Grants Policy are designed to ensure that awards of grants comply with current European State Aid regulations and with Data Protection legislation.

The proposed grants are in line with the Council's Voluntary Sector Grants policy and Cabinet decisions made on 5 February 2018.

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## **1 Introduction**

- 1.1 The Council makes funding available to voluntary organisations each year in line with its Voluntary Sector Grants Policy. The Council recognises and highly values the significant contributions that the community and voluntary sector play in delivering services to our residents. Partnership working is a key priority for Lewes District, and the council is committed to working with voluntary and community organisations through the giving of community grants. This helps support a thriving voluntary sector in the Lewes District. In addition, the giving of funding to such groups can also provide a cost effective way of delivering the Council's objectives.
- 1.2 At its meeting on 5 February 2018 Cabinet agreed a Voluntary Sector Grants Policy setting out the key principles and standards which underpin decisions to award grants. The proposed additions to the policy are set out in full in Appendix A. In summary, the additions:
- clarify the basis for the allocation of funding to voluntary and community organisations
  - set out the requirements of the European Union relating to State Aid and the process the council will follow for ensuring compliance with these
  - address potential data protection issues which may need be covered by data sharing agreements within the grant funding agreements or as separate documents when required.
- 1.3 The grants proposed at paragraph 2.26 are those agreed in principle by Cabinet in 2018 subject to compliance with the terms of a grant agreement, satisfactory delivery of the services supported by the grant and the availability of funds along with an extension of the £30,000 allocated to BHT during 2018/19 for work on Universal Credit.
- 1.4 All grants are subject to grant agreements covering the specific services funded and outcomes to be delivered. These provide a mechanism for the Council to monitor the organisations' performance and delivery closely through written reporting and review meetings. The agreements specify the amount of funding, what activities the grant can be used for, minimum legal and service requirements, monitoring and evaluation processes. It should be noted, however, that all grant agreements contain clauses enabling review, termination and/or renegotiation of terms should the need for the service change or to address any performance issues encountered.

## **2 Proposal**

### **Additions to Policy**

- 2.1 Cabinet is asked to approve the additions, specified in paragraphs 2.2 to 2.4

below, as incorporated into the amended Voluntary Sector Grants Policy attached at Appendix A to this report.

- 2.2 The legal basis for local authority grant-making has been added as an introduction to the policy.
- 2.3 Sections on State Aid have been added to the policy. These explain the European Union regulations relating to the use of public funding to support economic activity and the need to apply to the EU Commission for approval to implement aid where this exceeds certain thresholds. The policy sets out the process which officers will follow in liaison with the council's Legal Services to ensure compliance with the regulations before making a grant payment.
- 2.4 The policy also recognises the need in some cases for personal data to be shared between the organisation being awarded a grant and the council. To ensure that data processing is carried out in accordance with data protection legislation, primarily the General Data Protection Regulation (EU 2016/679) and the Data Protection Act 2018, the Council will, where necessary, enter into a data sharing agreement with the grant recipient. Such agreements would be prepared in consultation with the Council's Information Governance Manager or Data Protection Officer and may be incorporated within the grant agreement or drafted as a stand alone agreement.

#### **Performance 2018/19**

- 2.5 Monitoring data is provided by funded organisations by the end of the month following completion of the previous quarter and is available, at the time of writing, for Quarter 2 – July to September 2018.

#### **Lewes District Citizens' Advice**

- 2.6 The Lewes District Citizens' Advice helps people resolve their legal, money and other problems by providing free, independent and confidential advice. The most recent quarterly monitoring figures show that 898 residents used the service between July and September 2018 seeking advice on 2,528 issues. Of these, the largest proportion related to welfare benefits, most relating to Personal Independent Payments (258) and Employment Support Allowance (157). A high proportion of customers have long-term health conditions.
- 2.7 During 2018 Lewes District Citizens' Advice moved to its new premises in Newhaven. The move was designed to ensure advice services were easily accessible to residents in an area of need and has achieved a higher proportion of service use by residents from Newhaven and the surrounding coastal area. Monitoring data for Quarter 2 showed that 170 clients were from Newhaven, compared with 139 from Seaford, 113 from Peacehaven, 112 from Lewes, 35 from Telscombe and 60 from other parts of the district.
- 2.8 Advice services have a positive impact on the lives of individual clients, but also contribute to the Council's own services. In the first half of the year, for example, 28 council tenants benefited financially from the specialist Benefits Advice service with a total financial gain from benefits of £149,966. This supports council tenants to meet their housing costs and pay their Council Tax. In the

same period from April to September, 16 were helped to manage their debts.

### **3VA**

- 2.9 3VA provides support for voluntary and community organisations across the Eastbourne, Lewes District and Wealden areas of East Sussex. They provide a range of practical support to charities and community groups including start-up support, funding advice, help with governance and training. Their services help to inform, sustain and develop the voluntary and community sector in the area.
- 2.10 In Quarter 2, 3VA provided 'group support' with information, advice, guidance and extended support to 18 different groups based in Lewes. In addition, they continued to publish their weekly e-news to subscribers updating them on current funding opportunities, consultations, training, events and jobs in the sector. Their ongoing work also includes training provision and the development and support of networks. They currently work with the Locality Link teams bringing together health and social care services to deliver quarterly network meetings for voluntary organisations in Lewes and the Havens and in Seaford.
- 2.11 As part of their monitoring reports, 3VA highlight current trends and needs. Over the last year these have focused particularly on social isolation and loneliness, and, more recently, on the difficulties many smaller groups face recruiting and supporting volunteers. They continue to support two Dementia Action Alliances in the district.

### **Action in Rural Sussex**

- 2.12 AiRS is the Rural Community Council for Sussex. The organisation's purpose is to provide practical help and support to rural communities across both East and West Sussex enabling them to be vibrant, living and working places. The funding provided by the Council is specifically to support the organisation's work with the village halls and community buildings in the Lewes district.
- 2.13 The Council awards a grant of £3,500 each year and asks for an annual monitoring report and meeting. In 2017/18 AiRS provided information and support to 8 subscriber groups managing village halls in Barcombe, Cooksbridge, Ditchling, Kingston, Newick, Ringmer and Wivelsfield and consultancy services to groups in Barcombe, Ditchling, Ringmer and Wivelsfield. They also ran 6 workshops and seminars, provided training on portable appliance testing and held an East Sussex Village Halls and Community Buildings Conference.

### **Sompriti**

- 2.14 Sompriti supports black and minority ethnic (BME) communities and individuals across East Sussex. They work with individuals from a range of different backgrounds and heritage, organising community events, and providing bilingual support to residents in a variety of community languages.
- 2.15 Over the last year, Sompriti has focused on supporting BME residents in the Lewes district to access a range of employability, health and wellbeing, and social activities, including 'Let's Get Working', World Kitchen and Grub Club and

one-off events such as a Family Fun event at half-term. They have supported eighteen BME residents with employability services; between five and twenty people at different health and wellbeing events and activities; and twelve people with advice services. They also support individual BME residents with advice and interpreting services.

### **Lewes District Churches Homelink**

- 2.16 This service provides housing deposits and rent in advance to homeless households and those at risk of homelessness referred by the Council's housing needs officers. The grant is supplemented by a grant of £13,200 from East Sussex County Council. This service is a key part of the Council's work to prevent and relieve homelessness. Officers refer those households who are not covered by the Council's own statutory duties for rehousing, such as those who do not have a priority need for rehousing under the terms of the Housing Act 1996. Under the terms of the grant agreement, this funding may only be used for essential costs, such as rent deposits.
- 2.17 Lewes District Churches Homelink has provided this service to 50 different households in the period April to September 2018 with loans totalling £75,658. In addition to the funding secured from the councils, these loans are financed by repayments from existing and previous loans, and from the group's own fundraising.

### **Funding to meet the needs of Universal Credit claimants**

- 2.18 At its meeting on 6<sup>th</sup> December 2017, Lewes District Council resolved to allocate £30,000 in 2018/19 to award as grant to a voluntary organisation to help mitigate the impact of the rollout of Universal Credit Full Service scheduled to begin in September 2018. This allocation was intended as a one-off grant for one year only.
- 2.19 In February 2018 Cabinet agreed that a specification for a service be drawn up and bids invited from suitably qualified voluntary organisations to undertake this work. Based on the proposals received and interviews with the short-listed organisations, the funding was awarded to BHT Eastbourne Advice to deliver a casework service to Lewes residents focusing particularly on homeless households, those at risk of homelessness, council tenants and residents in rural areas. It was agreed that this service should start at the end of September when the full roll-out of Universal Credit began.
- 2.20 To date, since the service started at the end of September 2018, BHT have assisted sixteen households needing support to claim Universal Credit. A further six were advised that they did not need to claim Universal Credit. As well as supporting residents to complete claims for Universal Credit, BHT have been able to offer wider advice on benefit entitlements, such as Council Tax reduction. Five of those supported were tenants of Lewes District Council and two were homeless households.
- 2.21 BHT have done extensive publicity work, using leaflets and attending meetings with council staff teams, local Job Centres, Lewes District Councillors and tenants' meetings. They will also be attending the Tenants Conference in

January to promote the service. However, the number of referrals in the first three months was small, reflecting the fact that the roll-out of Universal Credit is gradual, occurring only when people need to make a new claim or have a specific change in their circumstances. There were seven referrals in December compared with two in September and four in October.

2.22 Given the slow start to Universal Credit roll-out and the number of people seeking support specifically for help with this, BHT, working closely with council officers, have taken a proactive approach seeking out those with wider needs. In particular, they have worked with council tenants known to have significant rent arrears and be at risk of losing their homes. This has uncovered a wider need for support to tenants on claiming benefits to which they are entitled and some cases where tenants are not yet claiming Universal Credit but could increase their income by doing so.

2.23 It is expected that demand will increase as the number of people required to claim Universal Credit rises over the coming year and it would be helpful to build on the work BHT has carried out to date, laying strong foundations for a proactive service available to all residents needing support with their benefit claims. It is therefore proposed that a further £30,000 is awarded to BHT to continue its work.

#### **Grant allocations 2019 to 2020**

2.24 In February 2018 Cabinet allocated the grants for 2018/19 as set out in the table at paragraph 2.26 and agreed that grant be allocated for the following three years, 2019/20 to 2021/22, subject to compliance with the terms of a grant agreement, satisfactory delivery of the services supported by the grant and the availability of funds.

2.25 Cabinet also agreed that grant agreements be reviewed annually to ensure best use is made of the grants budget. Based on the performance of the voluntary organisations supported in 2018/19, Cabinet is asked to confirm the same level of funding for 2019/20.

2.26

<b>Organisation</b>	<b>2018/19 grant (£)</b>	<b>2019/20 proposed (£)</b>
Lewes District Citizens Advice	Core Grant 140,340 (HRA benefits advice) 17,500 (HRA money advice) <u>17,500</u> <u>175,340</u>	Core Grant 140,340 (HRA benefits advice) 17,500 (HRA money advice) <u>17,500</u> <u>175,340</u>
3VA	28,000	28,000
Action in Rural Sussex	3,500	3,500
SCDA – Sompriti	10,000	10,000

Lewes District Churches Homelink	11,800	11,800
BHT Eastbourne Advice – Universal Credit service	30,000	30,000

### **3 Outcome expected and performance management**

- 3.1 The amendments proposed to the Voluntary Sector Grants Policy are designed to ensure the Council meets its legal requirements under GDPR and the Data Protection Act 2018, and European Union regulations on State Aid.
- 3.2 The allocation of grants reflects the Council’s recognition of the financial and social challenges which some of our residents face and the continuing importance of voluntary sector involvement in supporting those people most at risk in our communities.

### **4 Consultation**

- 4.1 The provision of grant funding is based on regular discussion with voluntary sector agencies, including surveys of local voluntary organisations carried out each year by 3VA. Of the 48 organisations who responded to this survey in 2018, 31 identified secure, long-term funding as a priority.

### **5 Corporate plan and Council policies**

- 5.1 The proposed allocations comply with the Council’s Voluntary Sector Grants Policy and will contribute to the Corporate Plan strategic outcomes for resilient, healthy and engaged communities underpinning our work with our voluntary sector partners delivering key advice and support services.

### **6 Business case and alternative option(s) considered**

- 6.1 Grant aid to voluntary and community organisations enables to council to meet the needs of residents whilst maximising the contributions of voluntary activity. This approach provides excellent value for money and reduces the demand on the Council’s own services and resources.
- 6.2 Regular monitoring and reviews area carried out to ensure best use is made of council funds and that only those organisations which provide high quality services and value for money are awarded funding.

### **7 Financial appraisal**

- 7.1 The proposal to extend the grant of £30,000 to BHT for a further year requires a further one-off growth to the grants budget in 2019/20.

### **8 Legal implications**

- 8.1 Section 137 of the Local Government Act 1972 and section 1 of the Localism Act 2011 permit the Council to make community grants to the voluntary sector.

8.2 The legal position on state aid is set out in the policy document appended to this report.

8.3 The UK is scheduled to leave the EU on 29 March 2019. If there is an Implementation Period, the State Aid rules will continue to apply as now and will be subject to control by the EU Commission as at present. If the UK leaves the EU without a negotiated Withdrawal Agreement, the Government has announced its intention to transpose EU State Aid rules into UK domestic legislation, with only technical modifications to correct deficiencies with the transposed EU law to ensure the regime continues to operate effectively in a domestic context.

*Lawyer consulted 03.01.19*

*Legal ref: 007954-LDC-OD*

## **9 Risk management implications**

9.1 If Cabinet does not allocate the funding it has budgeted for grants there are risks both to the Council's reputation in relation to this high profile activity and to the Council's own services which could experience increased demand from customers who would normally use those services provided by voluntary organisations.

9.2 Reviewing the Council's policies and performance on a regular basis provides an assurance that the Council is fulfilling its functions in a way that complies with current legislation. The proposed policy amendments are designed to reduce the risk to the Council of being in breach of legislation governing Data Protection and State Aid.

## **10 Equality analysis**

10.1 An Equality and Fairness Analysis was completed in February 2017 and is available from the report author. The analysis identified a need to ensure grant recipients' equality policies were in place and compliant with the Equality Act. These policies were provided and checked as part of the grant agreement process.

10.2 An Equality and Fairness review of the Council's grants policies and procedures has been carried out and presented to the Equality and Fairness Stakeholder Group. The review is available from the report author.

## **11 Appendices**

- Appendix A – Proposed Voluntary Sector Grants Policy

## **12 Background papers**

The background papers used in compiling this report were as follows:

- Lewes District Council Voluntary Sector Grants Policy – <https://www.lewes-eastbourne.gov.uk/community/lewes-voluntary-sector-grants/>
- Equality and Fairness Analysis – available from report author