



WEST OXFORDSHIRE  
DISTRICT COUNCIL

Committee	EXECUTIVE – 8 MARCH 2023
Subject	REVIEW OF COMMUNITY GRANT SCHEMES
Wards affected	All
Accountable member	Cllr Joy Aitman, Executive Member for Stronger Healthy Communities Email: <a href="mailto:joy.aitman@westoxon.gov.uk">joy.aitman@westoxon.gov.uk</a>
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Summary/Purpose	This report proposes a new approach to community grant funding, better aligned to the outcomes intended from the Council Plan and fostering greater community engagement and involvement.
Annexes	Annex A – Community revenue grant recipients 2022-23 Annex B – Spacehive proposal Annex C – Equality Impact Assessment
Recommendation(s)	<p><i>That the Executive is recommended to resolve to:</i></p> <p>a) <i>Introduce a new approach to revenue grant funding from 2024/25, aligned to four lots and supported by three year service level agreements.</i></p> <p>b) <i>Agree the four lots as:</i></p> <ol style="list-style-type: none"><li><i>1. Improving our natural environment and the access to it, so that we enable physical and mental wellbeing and cohesive, connected communities</i></li><li><i>2. Taking action towards the climate and ecological emergencies, so that we reduce carbon footprints and encourage nature recovery</i></li><li><i>3. Increasing community resilience and amplifying the voice of the seldom heard, so that we take action on issues most important to our residents and their needs, such as access to food, supporting young people and cultural provision</i></li><li><i>4. Providing residents with high quality, independent housing advice, welfare and debt advice services, so that they are empowered to tackle their problems and we support those who are unable to deal with difficult circumstances on their own</i></li></ol> <p>c) <i>Request officers to consider potential outline allocations within each</i></p>

	<p><i>of the lots and report back on proposals.</i></p> <p><i>d) Agree that the community revenue grant funding awarded in 2022-23 be awarded again in 2023-24 to the same recipients and at the same level to allow a managed transition.</i></p> <p><i>e) Approve civic crowdfunding as an alternative to community facilities grants and make up to £120,000 available to pledge against proposed projects.</i></p> <p><i>f) Agree the proposed procurement route to appoint Spacehive as the Council's civic crowdfunding platform provider on a three year contract.</i></p> <p><i>g) Delegate authority to the Chief Executive, in consultation with the Leader and Executive Members for Stronger Healthy Communities, Planning and Sustainable Development, Environment, and Climate Change to agree the type of projects to be supported and the pledge criteria for crowdfunding.</i></p> <p><i>h) Approve the allocation of £25,000 to increase the Council's grants capability, as described in the report.</i></p>
Corporate priorities	<ol style="list-style-type: none"> <li>1. Putting Residents First</li> <li>2. Enabling a Good Quality of Life for All</li> <li>3. Creating a Better Environment for People and Wildlife</li> <li>4. Responding to the Climate and Ecological Emergency</li> <li>5. Working Together for West Oxfordshire</li> </ol>
Key Decision	No
Exempt	No
Consultees/ Consultation	<ul style="list-style-type: none"> <li>• Findings from the 'Your Voice Counts' consultation on the Local Plan and Council Plan</li> <li>• Learning from other councils</li> <li>• Current community revenue grant recipients</li> <li>• Executive Members</li> <li>• Chief Executive and Deputy Chief Executive</li> </ul>

## I. BACKGROUND and SCOPE OF REVIEW

- I.1 West Oxfordshire District Council recognises that the voluntary and community sector provide a range of valued services and facilities to local communities in West Oxfordshire and wish to support this through grant funding schemes.

- 1.2 Executive asked for a review of the current arrangements with a view to adopting a new approach, better aligned to the strategic priorities and outcomes intended from the new Council Plan adopted in January 2023 and fostering greater community engagement and involvement. As stated in the Plan, this will target available Council grant budgets to proposals by other organisations that will deliver on Council priorities.
- 1.3 The Council currently operates three different types of community grants:
- a. **Community Revenue Grants** usually between £1,000 and £10,000 are available to fund relevant organisations that contribute to the Council’s priorities. Higher awards are possible but only where the activity offers significant benefits across an extensive part of the District, or in cases where the activity has a strong connection with achieving the Council’s ambitions for the District through partnership working. These are available to constituted voluntary organisations, charities and community interest companies and currently operate on an annual application process.
  - b. **Community Facilities Grants** of up to a maximum £50,000 (match funding is a requirement) to provide financial support for community led capital projects for the improvement or enhancement of existing community facilities and the procurement of new facilities or equipment.
  - c. **Community Activity Grants** to a maximum of £500 to support grassroots community groups wishing to undertake community based activity that contributes to the health and wellbeing of residents and quality of community life.
- 1.4 The budget for community activity grants is £11,000 per year. In the current year, it is supporting not for profit community groups to deliver activities and services that meet the needs of residents most affected by the cost of living crisis. It is therefore outside the scope of this review.
- 1.5 The annual budget and historical spend for the community revenue and community facilities grants is summarised in the table below:

	Annual budget	2019-20	2020-21	2021-22	2022-23
<b>Community Revenue Grants</b>	£188,000	£174,346	£188,260	£179,368	£187,851
<b>Community Facilities Grants</b>	£200,000	£146,989	£176,844	£146,035	£91,551*

\* Projected spend for current financial year

- 1.6 In addition, an annual revenue budget of £80,000 is used to commission housing advice, welfare and debt advice services. The current provider is Citizens Advice West Oxfordshire and the service is due to be re-commissioned for April 2024.
- 1.7 The £200,000 community facilities grant is a capital budget (but funded from revenue contributions). It is focused on improving and enhancing existing community facilities and for buying new facilities or equipment such as village halls, play areas and sports club equipment. Whilst of community benefit, the capital only nature of the scheme could be perceived as restrictive if we consider community ‘assets’ in its broadest sense. A community asset is anything that can be used to improve the quality of community life.

- 1.8 A review of the community revenue grants last took place in 2018, which resulted in a more open application process and improved management of those revenue grants awarded. It also forged a stronger link between Council priorities and the activities funded.
- 1.9 Historical practice has been to award revenue grants for a period of one year. Many funding arrangements, however, are in fact long-standing. This annual cycle can result in a 'hand to mouth' approach for funding recipients and presents a significant administrative burden to the Council.
- 1.10 The current recipients of community revenue grants are summarised at Annex A.

## **2. GRANTS versus COMMISSIONING**

- 2.1 A feature of this grants review has been to consider the activity and associated outcomes currently funded and assess whether it is best characterised as grant funded work, or if it would more appropriately be described as activity that should be defined and procured through commissioning.
- 2.2 The use of grants is most appropriate for funding that supports development to build capacity in the voluntary and community sector, to encourage innovation and/or to develop and support strategic partnerships between voluntary and community organisations and public bodies. Funding projects or initiatives, which are distinct from, but complement public services and which are in broad alignment with Council priorities and desired outcomes aligns well with grant awards.
- 2.3 HM Treasury guidance states, "A grant maker is not contracting for a service that forms part of its own business. It is offering financial support in an area of work, designed and proposed by the third sector organisation, which it wishes to sponsor. The work to be carried out by the third sector organisation would be deemed to add value to a public body's overall aims or objectives."
- 2.4 A commissioning approach is more applicable where there are multiple potential providers and the Council seeks to support a core service or activity to meet an identified need and where it wishes to specify the design and intended outcomes of the service. In this instance, the approach set out in the Council's commissioning framework should be followed, contract rules observed and the management process should be proportionate to the planned scale of expenditure.
- 2.5 The main determinant of the financial relationship is the nature of the intended outcomes and this is summarised as:

<p><b>Grant funding</b></p> <ul style="list-style-type: none"> <li>• Strategic development to build capacity in the VCS</li> <li>• To encourage innovation by the VCS and/or to develop and support key strategic partnerships between VCS organisations and statutory agencies</li> <li>• Services which are distinct from but complement public services and which are in broad alignment with public sector strategic objectives e.g. to promote community well-being</li> </ul>	<p><b>Commissioning</b></p> <ul style="list-style-type: none"> <li>• Where the public sector is 'shopping' for a supplier to deliver a core service to meet an identified need</li> <li>• Where the public sector wish to specify closely the design and intended outcomes of the service</li> <li>• Where a decision has been taken to outsource a core service, which would otherwise need to be provided directly by the public sector to exercise statutory functions</li> </ul>
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- 2.6** A range of supplementary factors can also be used to help inform the decision between grant funding or commissioning:
- a. The value of the agreement – the higher the value of the agreement, the more likely it is that a commissioning route is the best approach.
  - b. Which funding mechanism will achieve best value for money?
  - c. How competitive is the market? If there are only one or two potential providers a grant is more likely; if there are many then commissioning is likely to be more appropriate.
  - d. What level of control over the agreement and outcomes is appropriate - the higher the level of control needed, the more likely a commissioning route is most applicable.
  - e. How specific will the measurement of outcomes and outputs need to be? The more specific, the more likely a commissioning route is most applicable.
- 2.7** In most cases, grant funding is the appropriate future approach. However, two exceptions exist:
- 2.7.1** In the case of our residents having access to a high quality welfare advice and support service, currently provided by Citizens Advice West Oxfordshire, we are recommending a commissioning approach. This is based on the annual value of award (currently £62,800) and the level of control over the agreement and its outcomes.
- 2.7.2** Recognising the impact of firstly the Covid-19 pandemic and more recently the cost of living crisis have had on demand for advice services, the Executive wish to increase the level of support to £70,000 per annum.
- 2.7.3** Under the Countryside and Rights of Way Act (2000), the Council has a statutory obligation to make sure all decisions have regard for the purpose of conserving and enhancing the natural beauty of the Cotswolds Area of Outstanding Natural Beauty (AONB) - now named the Cotswold National Landscape. In parallel with all other local authorities within the Cotswolds National Landscape (CNL) the Council will pay its annual subscription to CNL to enable its functioning as the organisation with responsibility for conserving and enhancing this protected landscape within West Oxfordshire, and across the landscape as a whole, thereby fulfilling the Council's statutory obligation.

**2.7.4** As the work of Cotswolds National Landscape supports a core service of the Council and helps it meet its statutory obligations, grant funding is not the appropriate approach. Instead, as the Council is contracting for a service that forms part of its own business, a commissioning approach will be adopted and an amount of £11,000 be moved to an appropriate revenue budget cost centre.

### **3. A NEW APPROACH ENCOURAGING COLLABORATION AND INNOVATION**

**3.1** A conventional approach to awarding grant funding can be perceived as being:

- Transactional – a process to just fund projects, initiatives services to the same, long standing organisations and this can prevent wider collaboration in the voluntary and community sector and co-ownership in communities.
- Centred on institutions rather than communities - with most of the ‘power’ centred on appointing organisations, even where co-production potential is strong.
- Focused on metrics instead of outcomes – where the need for financial efficiency and value drives focus on measured inputs and outputs.
- Services instead of creative solutions - predefining a solution for a ‘need’ where a cross-cutting approach for complex issues may work better.

**3.2** Encouraging greater collaboration seeks to combat this and provide an ongoing way to empower communities and make creative use of resources around desired outcomes. It has core features such as approaches based on relationships and trust; and strong collaboration between organisations, professionals and people who access the service. This could be provider collaboration, with two or more organisations with a shared purpose coming together to deliver a common outcome; or a range of commissioners coming together e.g. local authority and health.

**3.3** The proposed future approach to Council grant funding seeks to encourage innovation, create conversations with the Council to co-produce and co-design services and solutions and encourage potential providers to come together and submit consortia proposals.

**3.4** A market place event is proposed to foster this intent. This would be widely publicised through our own voluntary and community sector networks and through Oxfordshire Community and Voluntary Action.

### **4. ACHIEVING OUTCOMES ALIGNED TO THE COUNCIL PLAN**

**4.1** Integral to this new approach are a number of suggested outcomes, or ‘lots’, all of which have been informed by the Council Plan adopted in January 2023. The Plan itself was shaped by the extensive ‘Your Voice Counts’ consultation and therefore reflects what’s most important to our residents.

**4.2** The proposed lots are shown below and each would be allocated a lead officer:

**Lot 1** – Improving our natural environment and the access to it, so that we enable physical and mental wellbeing and cohesive, connected communities.

**Lot 2** – Taking action towards the climate and ecological emergencies, so that we reduce carbon footprints and encourage nature recovery.

**Lot 3** - Increasing community resilience and amplifying the voice of the seldom heard, so that we take action on issues most important to our residents and their needs, such as access to food, supporting young people and cultural provision.

**Lot 4** – Providing residents with high quality, independent housing advice, welfare and debt advice services, so that they are empowered to tackle their problems and we support those who are unable to deal with difficult circumstances on their own.

- 4.3 Whilst the previous approach to community revenue grants was broadly aligned to Council priorities, it could be argued that it was as much about meeting grant recipient needs as it was about helping the Council deliver on its own objectives. As noted in 3.4, the new Council Plan has been shaped by community needs, so the message to potential grant recipients will be ‘these are the outcomes we’re looking to achieve for our community, how can you help us deliver these outcomes?’
- 4.4 It is notable that these lots focus on environment; climate and ecology; and community resilience and wellbeing. The Council Plan’s focus on supporting a vibrant local economy, which gives residents the opportunity to prosper and fulfil their ambitions through secure jobs, exciting careers and entrepreneurship, is not being overlooked.
- 4.5 This review has considered the other funding streams available to help deliver the Council’s strategic priorities and a vibrant local economy is the main focus of the £1 million UK Shared Prosperity Fund (UKSPF) and the £716,216 Rural England Prosperity Fund (REPF). The former spread over 2022-23, 2023-24 and 2024-25; and the latter over 2023-24 and 2024-25.
- 4.6 The Executive considered the intended focus of UKSPF in July 2022, with the main focus described as work that supports rural services to ensure people have access to what they need, and town centres and markets to help ensure their viability and the towns’ roles as vibrant service centres for residents and visitors. To see the Council’s investment plan summary:  
<https://www.westoxon.gov.uk/media/v5kbqk5f/wodc-investment-plan-summary-feb-2023-v2.pdf>
- 4.7 Similarly, Executive considered REPF in November 2022, with its primary focus being helping small businesses to develop new products and facilities that will be of benefit to the local economy; and providing new and improved community infrastructure. The Council’s investment plan for REPF has been submitted to the Department for Environment, Food and Rural Affairs and we are awaiting its approval.
- 4.8 The complementary nature of UKSPF and REPF to the Council’s own grant funding allows a holistic approach to be adopted and gain optimum leverage from the range of funding available.

## **5. ELIGIBILITY AND DECISION MAKING FOR GRANT FUNDING**

- 5.1** It is proposed that applications aligned to delivering our desired outcomes in the four lots be accepted from:
- a. Constituted voluntary and community groups
  - b. Registered and excepted charities
  - c. Community Interest Companies (CICs)
  - d. Independent statutory bodies in appropriate circumstances
- 5.2** Commercial organisations and exempt charities would not be eligible to apply for funding and it will not be open to town and parish councils, other statutory bodies, organisations providing a statutory service on behalf of a statutory body, education providers or unincorporated groups and associations. More detailed information for applicants will be developed in readiness for opening the new approach in early autumn 2023.
- 5.3** It is proposed a grants panel appraises applications received, after each application has been screened for eligibility based on the qualifying criteria which will be detailed in the information for applicants.
- 5.4** The grants panel will consist of the lead officer assigned to each lot and the Executive Members with responsibility for environment, climate change and ecology, communities, and social welfare.
- 5.5** Eligible applications will be evaluated against criteria relating to:
- a. Evidence of financial need by the applicant body
  - b. Strategic fit and alignment to the relevant lot's outcome
  - c. Extent of impact, innovation and collaborative working
  - d. Fit with any existing provision to avoid duplication or displacement of activity
  - e. An assessment of risks associated with the proposed activity
  - f. Proposed monitoring and evaluation
- 5.6** After considering these factors the grants panels(s) will make recommendations as to the organisations to be funded. In line with the approach described at 3.3, the lead officers will liaise with those organisations to co-design and refine the proposed services and solutions ensuring optimum fit with the lots' outcomes.
- 5.7** Final recommendations will be presented to the Executive's December 2023 meeting where the final allocations will be approved. The three year service level agreements will then be executed, ready for 1<sup>st</sup> April 2024 implementation.

## **6. AN ALTERNATIVE TO COMMUNITY FACILITIES GRANT FUNDING**

- 6.1** An alternative to the Council's community facilities grant funding, particularly when supporting one off projects or initiatives, is civic crowdfunding. Investing in a civic crowdfunding platform could lever better outcomes than the current community facilities grants, whilst at the same time improving transparency and engaging with our communities by investing more in the projects and initiatives that matter most to them.

- 6.2 It provides a new and accessible way that our residents can be at the heart of civic change and this aligns directly with the key aims of this listening Council, which has a drive to be aspirational, innovative and bold; and sits well with our priorities of 'Putting Residents First' and 'Working Together for West Oxfordshire'.
- 6.3 Crowdfunding itself isn't something new, so much as a new term for something that is massively enabled through 'new' internet platforms. Many of our civic buildings were originally financed through public subscriptions and donations such as 'buy a brick', and more recently community share offers and donations have been used to support community shops in particular.
- 6.4 The term 'civic crowdfunding' refers to a subcategory of crowdfunding through which citizens, often in collaboration with government, propose, fund and deliver projects that aim to provide a community service or deliver public value through a local area improvement project.
- 6.5 Typically, project ideas are encouraged and sourced from community promoters and placed on a website, where potential funders are able to search and make financial contributions to projects that resonate with their areas of interest or values. These 'pledges' are generally only released when the target is reached and this conditionality is a key benefit of this approach, as it removes the risk that donations may be given, but not used. Anecdotally, successful community projects which have used a civic crowdfunding approach report that private funding is easier to elicit when greater confidence that a project will take place can be given.
- 6.6 The current approach for community facilities grants requires match funding, but this usually comes from other organisations or agencies, such as Sport England. A civic crowdfunding approach would not preclude this from happening, but does have the benefit of allowing individuals to pledge support too.
- 6.7 This approach levers investment, but also promotes community involvement, allowing people to take an active role in the physical and social improvement of neighbourhoods. The Council could support projects that fit its criteria through pledges, in place of our community facilities grants, which are restricted to capital projects only. This means that many more community projects seeking the Council's support would have to access the platform and would be automatically exposed to support from other backers.
- 6.8 So long as projects are presented legitimately, and are civic in nature, they can be submitted to the platform and assessed - this means the platform provides an opportunity for projects which the Council may choose not to support directly to access funding from other quarters.
- 6.9 Examples of the type of projects the Council would be willing to pledge support for and the outcomes the Council is looking for from its investment are suggested below. Equally, there will be a need to agree the maximum pledge the Council will make towards any one project and the maximum percentage of the project's target the Council is willing to pledge. It is recommended that delegated authority is given to the Chief Executive Officer, in consultation with the Leader and relevant Executive Members, to agree the final criteria in line with the Council's priorities and the emerging Action Plans to deliver them.

**Support projects that:**

- Improve the physical and mental wellbeing of our local communities
- Directly address climate change
- Enhance lives through events and activities
- Support young people's ideas and ambitions
- Help to tackle the barriers and challenges many of us experience in life, such as poverty, ill health, distance from services, social isolation/loneliness
- Cultivate food equity, building a fair food system for everyone
- Protect and enhance our natural and built environment
- Invest in and maintain the facilities we rely on for these activities to take place

**Delivering outcomes of:**

- Community led change
- Improved health and food equity
- Well connected and resilient communities
- Improved mental and physical wellbeing across all age groups and backgrounds
- Improved essential local infrastructure that facilitates rural living
- Improved environmental outcomes, such as carbon reduction, improved biodiversity or green infrastructure

**6.10** While there a number of crowdfunding platforms, the majority of these are targeted on commercial investment opportunities. A number of these do enable civic projects, but are not tailored to this process. 'Spacehive' is the only dedicated civic crowdfunding platform provider on Government's G Cloud procurement framework, which enables a direct call-off by the Council.

**6.11** Spacehive's award winning platform provides a number of distinctive features which add value to the process:

- a. The platform of choice for over 40 other local authorities including recently appointed Cotswold, Malvern Hills and Wychavon districts and Worcestershire County Council.
- b. The only platform that allows partners to set their project criteria and be automatically matched with projects that fit those criteria, with the ability to assess projects before pledging funds to them.
- c. A verification process, operated independently by Locality, that checks the viability and feasibility of all projects on Spacehive thus de-risking projects for partners and supporters who pledge cash to them. They check for evidence on things like landowner consent, planning permissions, costs, project impact, risk and safety assessments, licences and agreements before a project can fund raise.
- d. Provides a boots-on-the-ground activation programme delivering face to face community engagement to generate awareness, facilitate workshops for would be project creators and provide ongoing project support via telephone, email and live chat.
- e. A comprehensive, annual social impact report is provided.

f. The Spacehive platform allows projects to add offline contributions to meet their funding target. This enables communities to blend classic fund raising activities with online donations - ensuring that this platform offers an additional fundraising opportunity, rather than displacement.

**6.12** The annual contract fee is £30,000, which is based on population size. In addition, there is a small management fee of 5% + VAT per project. This fee is added to a project's crowdfunding target at the outset and covered by the crowd, but only if that target is met and the project implemented.

**6.13** If approved, a three year contract, with an annual break clause, would commence in early 2023-24, allowing a lead up to launch in May and workshops for project promoters in June, ready for the first round of projects to take place between July and September. A second round would take place in early 2024.

**6.14** The current community facilities grant budget is £200,000 per annum. As noted at 1.5 there is a consistent underspend, so the proposed use of this budget for 2023-24 is summarised below. This would see no actual reduction in the amount of Council money being invested in community projects:

	£
Spacehive platform fee	30,000
Pledges to projects	120,000
Additional funding to 3-year SLA grants	25,000
Grants capability	25,000
<b>TOTAL</b>	<b>200,000</b>

**6.15** Taking the learning from Cotswold District Council and others, every £1 of Council money pledged levers in £3 from other backers. This force multiplier could therefore see the Council's £120,000 achieve up to £500,000 of total investment in community projects, each year. To see examples of the types of project funded and how it all works visit:

<https://www.spacehive.com/movement/cc>

## **7. HOW WILL PLEDGE DECISIONS BE MADE?**

**7.1** All projects seeking support from each of the two rounds of pitching each year complete a set of questions when pitching to the fund. The grants panel(s) described at 5.4 will consider the responses to those questions to determine the eligibility of their projects.

**7.2** Projects will also need to demonstrate they have local support for the activity proposed prior to the panel's assessment. This assessment will take place six weeks after the deadline to pitch. If a project has evidence of eligibility and local support the Council will consider a pledge towards the project, but retains its discretion to choose not to pledge against a project, or to pledge an amount higher or lower than indicated on the platform.

**7.3** In line with the Council Plan, the pledge decisions made will be in the best interests of residents and accord with the Council's intent to act with outstanding levels of transparency and accountability, with high standards of governance and trustworthiness.

## **8. AN IMPROVED GRANTS CAPABILITY**

- 8.1** Whilst Spacehive undertake a significant amount of the work to make the civic crowdfunding such a success, notably the workshops for promoters, due diligence, managing each funding round and ongoing project support, an improved grants capability is proposed as an outcome of this review.
- 8.2** Management and oversight of much of the outgoing Council grant schemes formed part of the duties of a post which was deleted from the establishment after it became vacant at the end of September 2022. Whilst other staff have absorbed the work to date, to ensure the success of the new approach outlined in this report a dedicated resource is advised and funded from the current grants budget.
- 8.3** As well as supporting the Council's grant schemes, namely the civic crowdfunding and revised approach to community revenue grants, resource is needed to better support those schemes enabled by external funding – such as Household Support Fund and food group funding.
- 8.4** To achieve this improved grants capability a 0.6 FTE Grants Officer post is recommended. Activity would include organising and promoting the market place event, voluntary and community sector liaison, administration of applications, organising the panels and transparently recording decisions made.
- 8.5** Once in place, the Grants Officer would undertake regular engagement with organisations the Council enters 3-year service level agreements (SLAs) with, conducting monitoring and evaluation to assure value for money. Supported by the lead officers, they will work with our providers to evolve the activity undertaken if there are material changes to need during the life of the SLAs. They would also lead on the civic crowdfunding platform implementation and its ongoing operation and success.
- 8.6** An improved grants capability would also present the opportunity to lever in external funding to support the Council's priorities – either directly, or by greater support to the voluntary and community sector, which has proved invaluable during the pandemic and latterly the cost of living crisis.

## **9. A MANAGED TRANSITION**

- 9.1** Given that this proposed approach to grant funding represents a significant change, all current recipients of 2022-23 community revenue grants have been informed of the likely changes. Each was appreciative of the early engagement.
- 9.2** To ensure a managed transition for all parties, it is recommended that all current recipients receive the same level of funding in 2023-24 and at the same level.
- 9.3** Recognising the main focus will be on launching the civic crowdfunding in the first half of 2023-24, it is suggested the process for inviting proposals against the four agreed lots starts in September 2023, with award made by January 2024 ready for three year service level agreements to start from April 2024.

## 10. FINANCIAL IMPLICATIONS

10.1 The current budgets used to fund the community revenue grants, community facilities grants and the commissioned housing advice, welfare and debt advice services are summarised in the table below. Alongside this the new proposals are summarised. This demonstrates the proposals are contained within existing approved budgets and represent no reduction in funding. Instead, it is suggested the available funding is being used in a more effective way to achieve greater community impact.

Current budget	£	Proposed budget	£
Community revenue grants	188,000	3-year service level agreements (lots 1 – 3)	132,000
Community facilities grants	200,000	Civic crowdfunding platform fee	30,000
		Civic crowdfunding pledges	120,000
Housing, welfare and debt advice services	80,000	Improved grants capability	25,000
		Housing, welfare and debt advice services (lot 4)	150,000
		Cotswold National Landscape	11,000
<b>TOTAL</b>	<b>468,000</b>		<b>468,000</b>

10.2 The current £200,000 community facilities grant is a capital budget, funded from revenue contributions. The change to a civic crowdfunding approach, with pledges to projects with a wider scope than just buildings and tangible assets will include both revenue and capital expenditure.

10.3 By entering in to three year service level agreements the Council is committing to an agreed level of funding to successful recipients for 2023-24, 2024-25 and 2025-26. This commitment is covered in the 2023-24 budget approved by Council on 15 February 2023 and will need to be reflected in subsequent annual revenue budgets approved by Council, or met from reserves.

## 11. LEGAL IMPLICATIONS

11.1 The proposals within this report all relate to the Council's discretionary grants budgets and not to any statutory schemes. The way in which this resource is invested is at the Council's discretion, subject to appropriate governance, transparency and financial safeguards. The Council's interests will be protected through its contract with the platform provider, backed up with appropriate conditions on the project initiators. Through this process, funding pledges are conditional upon the full sum necessary for a project to take place being raised, and recipients will be legally bound to deliver the stated activity or return the funding.

11.2 The government's G-Cloud Digital Marketplace allows for direct award to Spacehive using a framework agreement.

## **12. RISK ASSESSMENT**

- 12.1** If the Council doesn't engage with current community revenue grant recipients, then there is a reputational risk to the Council and a potential negative impact on current providers. Well received engagement has taken place with all current recipients, many thankful for the long notice period for change, to mitigate this risk and a managed transition will be used.
- 12.2** Whilst the civic crowdfunding proposal, as an alternative to its current community facilities grants, would be a new initiative for this Council, the model is well-established and very successful in other council areas. The process whereby projects are promoted and supported is robust, with appropriate and independent verification checks undertaken at an early stage. The main risks are considered to be:
- a. Projects not signing up - For the platform to be effective, project creators and supporters will need to use it. There is a strong incentive for projects to sign up, in terms of the resource the Council will channel through this route, and the opportunity to campaign for further support. The platform will need to be promoted, by the Council and by the platform provider, to recruit individuals and organisations to pledge toward projects. However, project creators are a key ally in this task, as it is their interests to direct their own contacts to the platform.
  - b. Projects not meeting their targets - There is a risk that projects will sign up and not reach their funding target - and consequently will not draw down funds. However this is already a risk that community projects face as shown by the annual underspend on community facilities grant. Widening the scope of eligibility through the crowdfunding approach helps mitigate the risk.

## **13. EQUALITIES IMPACT**

- 13.1** The Council is a signatory to the Oxfordshire Compact and the supporting funding code and it will wish to ensure adherence to the key provisions in this around consultation and the provision of appropriate notice around the introduction of changes. The managed transition described a section 5 allows for this.
- 13.2** The proposed approach of three year grant funding, supported by service level agreements to provide a framework for all parties on areas such as delivery, quality and agreed outcomes also accords with the Compact.
- 13.3** The proposals do not negatively impact on any protected characteristics. The new proposals increase accessibility to funding for community projects and this should enable applications from a wider cohort of applicants that have traditionally accessed our grants. Supporting a platform to help groups fundraise beyond our own contribution will open grants up to new and 'non-establishment' groups.
- 13.4** An equalities impact assessment can be found at Annex C.

## **14. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

- 14.1** The inclusion of lots 1 and 2, with a focus on environment, climate and ecology, supported by three year service level agreements, provides good potential for a positive impact on

tackling the climate and ecological emergencies. Likewise, the crowdfunding approach paves the way for the Council to pledge funding to projects well aligned to doing the same.

## **15. ALTERNATIVE OPTIONS**

**15.1** Executive could choose to maintain the current system of community grants.

**15.2** Whilst not recommended, Executive could cease grant funding. This would save approaching £470,000 each year but place the authority in an unusual position in it not offering any form of grant support and remove the scope to achieve Council Plan priority outcomes through grant funding. It would also have significant, negative community impact.

## **16. BACKGROUND PAPERS**

**16.1** The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

None

(END)