

REPORT TO EXECUTIVE

Date of Meeting: 22 January 2024

REPORT TO COUNCIL

Date of Meeting: 20 February 2024

Report of: Director of Culture, Leisure and Tourism

Title: Community Grants Programme 24/25 Proposal

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 This report sets out proposals for the Community Grants Programme for 24/25 and how this can be funded using the Neighbourhood portion of the Community Infrastructure Levy (NHCIL) in 24/25.

2. Recommendations:

That Executive recommend to Council to:

2.1 Accept the 11 recommendations relating to the Community Grants Programme as set out in section 8.6 of this report.

2.2 Accept the 5 recommendations relating to Wellbeing Exeter as set out in section 8.8 of this report.

2.3 Allocate £154,000 from the NHCIL reserve to fund the proposed 2024/25 Community Grants programme.

2.4 Allocate £30,970 from the NHCIL reserve to fund the staffing costs of administering the programme.

2.5 Allocate £275,563 from the NHCIL reserve to fund the new core Wellbeing Exeter programme in 2024/25.

2.6 Delegate authority for under £1million to the Portfolio Holder and the Director of Culture, Leisure and Tourism to allocate additional, available funding from the NHCIL reserve to fund Wellbeing Exeter Enhanced Model to continue community building within Pinhoe and St. James wards which are the areas in the City subject to the greatest housing development.

2.7 Allocate £70,000 of the ring-fenced Wellbeing Exeter reserve to aid the transition to the new core model in 2024/25 and to provide a baseline for other funders to match.

2.8 Delegate authority to the Director of Culture, Leisure and Tourism to commission a Lead Organisation to take over from Devon Community Foundation and the co-ordinator of Wellbeing Exeter

2.9 Require the Portfolio Holder and Director of Culture, Leisure and Tourism to update the Executive on the progress of the transition of Wellbeing Exeter and the Community Programme and bring forward recommendations for priorities and spending in 2025/26 by September 2024.

3. Reasons for the recommendation:

3.1 The Exeter Community Grants Programme was agreed in July 2019 following extensive listening and public consultation. Stakeholder and community feedback was taken into account and a new framework was implemented in December 2019.

3.2 On adopting the new policy, Council agreed to a review in 3 years, this review was postponed due to Covid and has been undertaken during 2023. The internal review aimed to assess the impact of the programme, identify future priorities and funding strategies as part of the annual Medium Term Financial Planning (MTFP) cycle. The Community Grants Review Report (Dec 2023) is appended to this document.

3.3 Alongside this internal review, an external independent report: The Wellbeing Exeter Strategic Development Review was published in February 2023 followed in October 2023 by the launch of the Wellbeing Exeter sustainable funding campaign "Wellbeing Exeter: The Case for Support". <https://exeter.gov.uk/wellbeing/>

3.4 The recommendations in this report are based on the findings of these 3 reports and represent a sustainable future for the Community Grants Programme and Wellbeing Exeter.

4. What are the resource implications including non financial resources

4.1 The table in section 8.9 below sets out the financial plan for the programme with the majority of the funding coming from the Neighbourhood CIL reserve and planned income from the Exeter Lottery.

4.2 Additional funding for Wellbeing Exeter is available in the Wellbeing Exeter reserve. The total sum for funding Wellbeing Exeter from the CIL and the reserve will be around £400,000 and this funding from ECC will attract additional on-going funding in the region of £270,000 - £370,000 into Wellbeing Exeter from Sport England through the Live and Move Grant to be awarded to Exeter City Council as part of the legacy funding of the Local Delivery Pilot. It is hoped the funding from Sport England will be committed until 2028. A process to secure funding begins in February 2024 and should be complete by September 2024. There is on-going work seeking funding from external sources to mitigate the funding withdrawn from Wellbeing Exeter by Devon County Council and a report on progress will be submitted to the Executive by September 2024 so members can consider any long-term commitment they wish to make to the future of Wellbeing Exeter.

4.3 Officer resources will be needed to set up the programme and commission the Lead Organisation for Wellbeing Exeter. These costs will be met through existing resources

and a contribution to staff salaries for the administration of the Grants Programme from the Neighbourhood CIL reserve.

5. Section 151 Officer comments:

The proposals set out above allocate all available and anticipated neighbourhood CIL, as and when it becomes available. The fixed amounts already have funding identified and it is appropriate therefore for authority to be delegated regarding the remaining amount as and when it becomes available.

6. What are the legal aspects?

6.1 The Community Infrastructure Levy (CIL) is a planning charge that local authorities can require of most types of new development (based on £s per square metre) in order to pay for the infrastructure needed to support development. Regulation 59A of the CIL Regulations envisages that a local authority should engage with communities where development has taken place (in this case the city of Exeter) and agree on spending priorities with regard to the neighbourhood portion of CIL. The amount of neighbourhood CIL equates to at least 15% of levy receipts for chargeable development in an area where there is no neighbourhood plan and 25% for chargeable development in an area where there is a neighbourhood plan.

6.2 The Exeter Community Grants Programme was agreed in July 2019. Where it includes the Neighbourhood portion of CIL, it must be spent in accordance with the statutory provisions set out in the CIL Regulations 2010 and the Planning Practice Guidance (PPG). The Neighbourhood portion of CIL must be spent in accordance with the statutory criteria set out in Regulation 59F and Paragraph 73 of the PPG.

6.3 Regulation 59F of the CIL Regulations states: "...the charging authority (i.e., Exeter City Council) may use the CIL...to support the development of the relevant area by funding-

- a) the provision, improvement, replacement, operation or maintenance of infrastructure;
or
- b) anything else that is concerned with addressing the demands that development places on an area."

6.4 Paragraph 73 of the PPG states: "...the charging authority will retain the levy receipts but should engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding."

6.5 The commissioning of a new lead organization will need to follow the Council's procurement policy.

7. Monitoring Officer's comments:

The Monitoring Officer has nothing further to add to the legal comments set out in paragraph 6 above.

8. Report details:

8.1 The Exeter Community Grants programme was agreed in July 2019 following extensive listening and consultation. Stakeholder and community feedback was taken into account and the following framework was implemented in December 2019.

- Establishment of a grant funding approach that will maximise the value of the council's spending and ensure the sustainability of community groups.
- A balance of awarding grants with contracts for more strategic services.
- A clear 'bottom up' approach to community development: Asset Based Community Development.
- Good governance that recognises the specific accountability of elected members but enables the Council and community to decide on priorities together.

8.2 On adopting the above policy, Council agreed for a review within 3 years, which was postponed due to Covid and was completed in 2023 to assess the impact of the programme, identify future priorities and funding strategies as part of the annual Medium Term Financial Planning (MTFP) cycle. The Internal Review of Community Grants Programme is appended to this document.

8.3 The total spent on grants during the period 2019/2023 was £882,979 through 599 grants. The ECC grants programme has injected over £880,000 into the community over the last 4 years, this is a significant sum for the Council, but it is 0.6% of all the income received by charities in the city. The Internal Review of Community Grants Programme provides detail on the types of grants available; how much was awarded and to whom. It also provides information on the two contracts for services funded through the grant programme. The key findings of the report are set out below.

8.4 Key Findings: Community Grants

8.4.1 The majority of all available funding has been spent on buildings and building renovations in particular. With 8 building renovation projects consuming 30% of all funding.

8.4.2 Priority Neighbourhoods are not getting a higher share of the money or even an equal share.

8.4.3 There are currently no restrictions on the number of grants an organisation can apply for. Smaller, local community groups are potentially being disadvantaged with the majority of funding being awarded to larger, better resourced organisations. 59% of all available funding was awarded to 15 organisations.

8.4.4 Ward grants arguably have greatest potential reach – 17% of all funding into 67% (398) of all grants – compared to other grants, yet some Councillors, particularly in our most disadvantaged areas are not utilising the funds which are underspent year on year.

8.4.5 There is limited financial diligence undertaken prior to larger grants being awarded and some of the organisations may be able to secure funding from sources other than the Council and the funds better directed to projects more aligned with the Council's strategic aims and objectives.

8.4.6 With limited impact data it is difficult to assess what benefit the target communities have derived from this funding. However, the independent evaluation of Wellbeing Exeter highlights the effectiveness of capacity building work in communities which should encourage the Council to re-think it's grant giving on evidence-based approaches in order to make best use of the available funds.

8.5 Key Findings: Contracts for Services

8.5.1 The Information Advice and Advocacy Contract has improved the working relationship between Citizen Advice Exeter (CAE), Council and other partner organisations, however it is unclear what benefits a contractual arrangement brings over the traditional grant model. The work of the CAE is of significant value and importance to the city however it's apparent that CAE is dependent on the Council for around 1/3 of its core funding: this is a high-risk strategy for the CAE and the Council. Should members wish to support the work of a service provider like the CAE in future this will have to be funded from alternative sources other than the NHCIL.

8.5.2 The Council has been able to influence the development of Exeter Connect as a new service. There is activity data to indicate that there has been more collaboration across the VCSE sector in the city supported by Exeter Connects network co-ordination work and support for existing and emerging groups/organisations. This was evident by the collaboration that took place during the Covid pandemic when Exeter Connect supported the Exeter Community Wellbeing approach led by the City Council. There is also other significant VCSE co-ordination and networking taking place through Wellbeing Exeter delivered through CoLab Exeter.

8.6 Community Grants Programme Recommendations

It is recommended that consideration should be given to the following:

1. A strategic needs assessment of community buildings should take place before any further investment is made in building projects
2. More stringent targeting should take place alongside proactive promotion of small community grants which could be more effective if linked into the work of Wellbeing Exeter's locality-based Community Builders.
3. Allocating grants to addressing specific issues faced predominately in priority neighbourhoods such as digital exclusion, where there is a strong evidence based on effective approaches that deliver measurable impacts.
4. Placing a cap on the amount of grant funding that can be awarded to any one organisation over a 3-year period and also on the number of applications that can be made in any financial year. (Though it is recognised, and would need to be taken into account, that some of the larger organisations act as an umbrella organisation for smaller grass roots groups that are not constituted and do not have their own bank account).
5. The Executive to continue to allow for grant award decisions to be made by members on the cross-party Grants Panel but to consider more pro-active monitoring of the deployment of ward grants and reducing the annual allocation to better reflect average annual spend over the last 4 years: £3,000 per ward.

6. That more robust due diligence, including ensuring the receipt of impact evaluation be undertaken prior to the award any grant in excess of £5,000.
7. A re-focus of grant giving on evidence-based approaches to make best use of the available funds. This could be achieved by linking ECC community grants into the work of Wellbeing Exeter's locality-based Community Builders which would ensure robust impact assessment in line with Wellbeing Exeter policy and practice.
8. Adopting a more explicit and positive approach to match funding.
9. Switching from an open annual rolling grant programmes to a more structured approach opening the grant fund for limited periods 2 or 3 times a year. This would be less resource intensive for staff and members and provides flexibility in managing fluctuations in NHCIL income in year without disrupting the grants programme.
10. The Information, Advice and Advocacy Contract comes to an end in March 2024 after two extensions and is unable to be continued in its present form. If the Council wish to continue to support the work of the work of Citizens Advice, it is suggested to use sources other than funding from Neighbourhood CIL.
11. As the long-term future of Wellbeing Exeter is also under consideration it makes sense for the Council to consider embedding key aspects of the Exeter Connect contract into Wellbeing Exeter's future role. This makes financial and system sense and avoids duplication of effort and spend. If the Council decides to discontinue funding Wellbeing Exeter it could then reconsider if it is a priority for the Council to re-establish a VCSE support organisation in the city.

8.7 Key Findings Wellbeing Exeter Review

8.7.1 An independent review of Wellbeing Exeter was completed in 2023 and this concluded:

“There is no doubt about the benefits of having Wellbeing Exeter embedded in the city and ‘it’s a better place because of it’. The outcomes for individuals, for communities and for some systems within the city are evident. Over the last couple of years communities have faced a difficult time, the impacts of the global pandemic and the recession are all around us: extraordinary levels of anxiety and isolation need gentle support to recover. Wellbeing Exeter is able to do that it has repeatedly demonstrated its ability to flex and adapt to support the building of community resilience. There is no doubt that Wellbeing Exeter is very well placed to support the needs of the community at this time.

It is clear that Wellbeing Exeter is a vital component of Exeter Vision 2040 and can help to achieve that vision through reducing inequality, improving health outcomes and fostering community cohesion across our neighbourhoods. It is clear from the review that there is too much at stake to lose Wellbeing Exeter, it is embedded in communities and provides a flexible and adaptable partnership that supports the city.” Wellbeing Exeter Strategic Development Review Report March 2023”.

8.7.2 Following the publication of the Strategic Review Wellbeing Exeter commissioners and delivery partners worked together to publish a sustainable funding prospectus: Wellbeing Exeter: The Case for Support”. (Oct 2023) <https://exeter.gov.uk/wellbeing/>. The

recommendations in this report relating to Wellbeing Exeter are the City Council's response to The Case for Support.

8.7.3 In 2018 the Council published its first Physical Activity Strategy which set out its strategic intention to focus resources on these priority neighbourhoods. This approach was pivotal in securing the Sport England Local Delivery Pilot status and resources to develop this targeted community-led approach. (See figure 1 below)

8.7.4 As the Case for Support sets out, Wellbeing Exeter is able to demonstrate the evidence base for its long-term work in the city to have a positive impact on reducing entrenched inequalities. The new core model for Wellbeing Exeter is designed to build on the past 10 years and refocus even more effort into the communities of greatest need.

8.7.5 Whilst funding was available Wellbeing Exeter continued to provide Community Building in all wards of the city. However, with the withdrawal of funding from some long-term partners the new core model re-focusses attention on the areas of greatest need. Alongside the core model Wellbeing Exeter can offer enhanced programmes for investors that wish to focus on additional groups and/or issues. Full details of this model are in the Case for Support but are summarised in figure 2 below.

Figure 1: Exeter City Council Physical Activity Strategy Priority Neighbourhoods

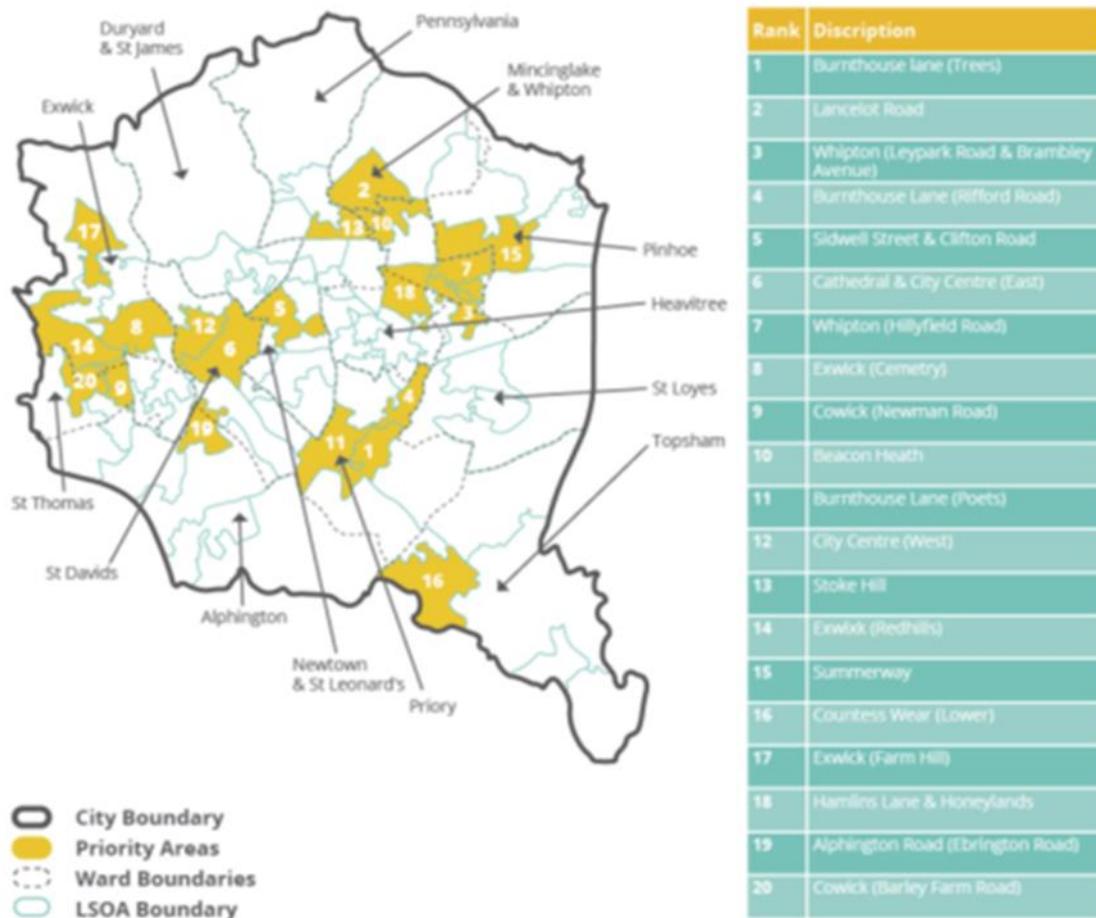
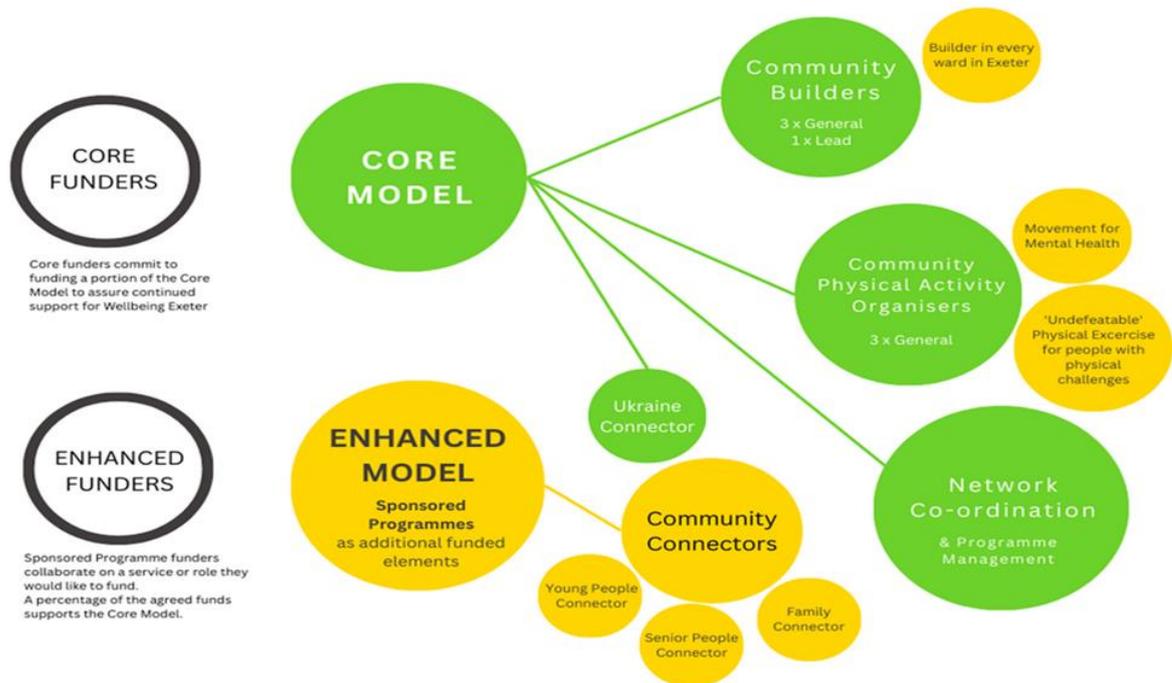


Figure 2: Wellbeing Exeter New Model.



8.8 Wellbeing Exeter Recommendations

It is recommended that consideration should be given to the following:

1. Continuing as Lead Commissioner for Wellbeing Exeter to ensure its strategic development continues to focus on achieving the Exeter 2040 Vision.
2. Become a Core Funder under the new model providing resources to fund the Core Model within the targeted 20 priority neighbourhoods which will include: Community Building; Community Connecting; Resettlement Connector; Community Physical Activity Organisers and Network Support
3. Fund an Enhanced Model to develop Community Building within the St James and Pinhoe Wards which are the areas in the city dealing with significant development.
4. Use its Core and Enhanced Funder status to secure match funding from other strategic partners/investors.
5. Utilise Wellbeing Exeter reserves to provide funding to support the transition from the old to the new model and to assist in the securing of new leadership and governance arrangements.

8.9 Proposed funding Community Grants Programme and Wellbeing Exeter 24/25

The table below sets out the anticipated funding for the Community Grants programme for 24/25. The proposed spending plan is based on the recommendations in this report.

	2023/24	24/25 Proposal	2024/25	2025/26	TOTAL
	£		£	£	£
Neighbourhood CIL Available		Neighbourhood CIL Available			
Neighbourhood CIL brought forward	196,055	Neighbourhood CIL brought forward	419,209	720,509	196,055
Actual Neighbourhood CIL Income	639,662	Actual Neighbourhood CIL Income			639,662
Forecast Neighbourhood CIL Income ****	148,560	Forecast Neighbourhood CIL Income ***	740,833	441,383	1,330,775
Total Neighbourhood CIL Available	984,277	Total Neighbourhood CIL Available	1,160,042	1,161,892	2,166,493
Other Income	2023/24		2024/25	2025/26	TOTAL
	£		£	£	£
Leisure VAT Rebate	66,000				66,000
Exeter Lottery (annual estimate Nov 23)	10,000	Exeter Lottery	21,000	21,000	52,000
Total Other Income	76,000	Total Other Income	21,000	21,000	118,000
Total All Income	1,060,277	Total All Income	1,181,042	1,182,892	2,284,493
Expenditure:		Expenditure:			
Ward Grants (funded via Leisure VAT income)	39,000	Ward Grants	39,000	39,000	117,000
Exeter Community Lottery	5,763	Exeter Community Lottery	5,000	5,000	15,763
Wellbeing Exeter - DCF	270,157	Wellbeing Exeter	275,563	340,305	886,025
Staff Costs	29,148	Staff Costs	30,970	32,210	92,328
Community Buildings*	15,000	Digital Grant Fund	20,000		35,000
Community Buildings (funded via Leisure VAT income)	27,000	City Grant Fund	50,000		77,000
Small Grants Fund	3,000	Review of Community Buildings	20,000		23,000
Large Grants Fund	7,000	Independent Evaluation of Programme	20,000		27,000
CAB*	200,000				200,000
VCSE/ECI Support Contract	45,000				45,000
Total Expenditure	641,068	Total Expenditure *****	460,533	416,515	1,518,116
Total Available Neighbourhood CIL Receipts	419,209	Total Available Neighbourhood CIL Receipts	720,509	766,377	766,377

In addition to the £275,563 proposed for funding Wellbeing Exeter from the NHCIL it is also proposed to utilise up to £150,000 of the Wellbeing Exeter reserve and a further amount from the NHCIL reserve to fund both a Core and Enhanced Model and support the transition from the old to the new model. The total funding for Wellbeing Exeter from Council in this transition year will be in the region of £400,000.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 Wellbeing Exeter and the Exeter Community Grants Programme contributes to the Exeter 2040 Vision aspirations of being a Healthy and Inclusive City and the most active City in the UK. The programmes also contribute to the Council's strategic priorities of a "Healthy and Active City" and "Housing and Building great Neighbourhoods."

10. What risks are there and how can they be reduced?

10.1 The community grants programme and Wellbeing Exeter are both discretionary areas of spending for the Council. Both programmes are funded from the NHCIL reserve. There is a risk to the programme should anticipated receipts be late or remain unpaid. This means that budget planning must take place on an annual basis with regular reviews as the Council must have received the payments from developers before it can spend any of it. Therefore, these proposals mitigate this risk in 4 main ways:

- The grants programme will be a periodic programme opening when funds allow and offering several application opportunities throughout the year.
- The proposed review of community buildings and impact evaluation will only take place once the funds have been received as anticipated in year.
- The overall programme leaves planned income in the reserve to create a buffer against late payments and to make funding available in future years.
- There are no longer any contractual or multi-year commitments within the plan.

10.2 The Report on the Community Grants programme details risks in continuing to fund the contracts for services with both Citizens Advice Bureau Exeter (CABE) and Exeter Connect from the NH CIL. This financial risk is removed by the recommendations in this report to no longer commission either of these services.

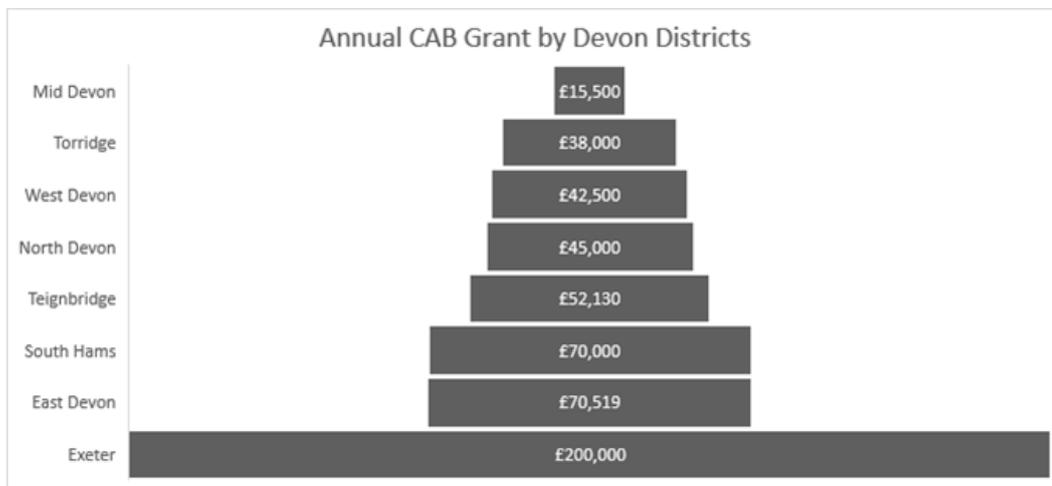
10.3 The work of Exeter Connect, a service set up by the Council in 2019, can be subsumed into Wellbeing Exeter which already undertakes a significant amount of network and capacity building activity in the VCSE sector within the City.

10.4 There are potential reputational risks to the Council if it ceases to fund CABE. It should be noted that formal notice of contract termination was given to both CABE and Exeter Connect in July 2023 which allows both organisations sufficient time to implement exit strategies from these contracts.

10.5 The Council could consider, if funding is available, an annual grant to support the general work of CAE. The council can then make an annual decision as to whether to continue to grant fund the CAE depending on its priorities and the funding available. This is sustainable and best value approach for the Council and also provides clarity for the Trustees of CAE who are responsible for the financial wellbeing of their organisation.

10.6 In considering whether to continue grant funding the work of CABE members may wish to consider the grants provided by neighbouring district Councils as set out in figure 3 below.

Figure 3 Annual CAB Grant by Devon Districts



10.7 There is a potential risk that the re-focusing of Wellbeing Exeter into the 20 priority neighbourhoods may receive criticism from localities who will no longer benefit from having their own Community Builder. This can be mitigated by communicating the evidence-based approach set out in both the Wellbeing Exeter Strategic Development Review and the Case for Support. Furthermore, the ability for Wellbeing Exeter to flex and grow through the enhanced model approach means local communities and other organisations can consider fundraising to add in additional cost-effective local programmes to meet hyper local needs. The network co-ordination work of Wellbeing Exeter will also continue providing open access to training and support to all community groups/organisations who identify their work as Community building and /or community connecting.

10.8 Overall the risks highlighted in relation to the changes proposed in the delivery of the Community Grants Policy can be mitigated through good communication on the significant contribution the Council continues to make into community development in the City. This is in excess of the investment made by neighbouring Districts as set out in the attached document: Community Grants in Devon: Local Authority Website Survey December 2023.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal potential impact has been identified on people with protected characteristics as determined by the Act and an Equalities Impact Assessment

12. Carbon Footprint (Environmental) Implications:

12.1 There are no known direct negative carbon/environmental impacts arising from the recommendations. Within Wellbeing Exeter, Community Physical Activity Organisers support individuals and communities to be more physically active in everyday life: there are early indications as set out in section 11 of this report to show that this work is having a positive impact. However, it is too early to say to what extent this behaviour change is resulting in reduced carbon through walking and cycling replacing car usage.

13. Are there any other options?

13.1 No other options are being proposed in this report. The proposals in relation to Programme are effectively minor changes to the existing policy which remains the same. These changes reflect improvement to the process and adjustments to the available funding. The proposals in relation to Wellbeing Exeter have been co-produced from over 18 months of engagement and consultation with key stakeholders.

Director of Culture, Leisure and Tourism, Jon-Paul Hedge

Author: Jo Yelland, Director

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

1. The Wellbeing Exeter Strategic Development Review February 2023
2. Wellbeing Exeter: The Case for Support". October 2023
<https://exeter.gov.uk/wellbeing/>
3. Internal Review of Community Grants Programme December 2023
4. Community Grants in Devon: Local Authority Website Survey December 2023

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