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<b>PART B:</b>	<b>RECOMMENDATIONS TO COUNCIL</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>12 JUNE 2018</b>
<b>REPORT OF THE:</b>	<b>DELIVERY AND FRONTLINE SERVICES LEAD BECKIE BENNETT</b>
<b>TITLE OF REPORT:</b>	<b>A LOCAL FUND FOR RYEDALE</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 The report seeks approval to create 'The Local Fund for Ryedale' from existing resources.

### **2.0 RECOMMENDATION**

- 2.1 That Ryedale District Council supports the establishment of 'The Local Fund for Ryedale (LFR) in partnership with the Two Ridings Community Foundation (TRCF).
- 2.2 That a donation of £80,000 each year and for a period of 3 years, be made to The Local Fund for Ryedale, once it is established, and subject to a 'Fund Making Agreement' between RDC and TRCF. The costs of the donations to be covered from existing grant making resources including those for Community Grants and the Creative Economy.
- 2.3 That Members delegate responsibility to negotiate the detailed terms of the 'Fund Making Agreement' between the Council and TRCF to the Chief Executive in consultation with the Chairman of the Policy and Resources Committee.
- 2.4 That a 'Local Fund Steering Group' be established as an advisory group and to include the Chairman and Vice Chairman of the Grants Working Party, officers of the Council, and representatives for the Two ridings Community Foundation.
- 2.4 That two Members be appointed by Council to represent Ryedale District Council on The Local Fund for Ryedale Panel.
- 2.5 That the Overview and Scrutiny Committee be requested to receive a report annually to monitor the progress and evaluate the impact of The Local Fund for Ryedale.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 The establishment of The Local Fund for Ryedale would deliver effective grant making support for voluntary and community organisations in Ryedale whilst increasing the potential for local fundraising and corporate donations to benefit communities in Ryedale. The Local Fund would offer a flexible, tax efficient and cost effective way for local supporters to give to local good causes. For local businesses the fund would provide a means to deliver their corporate social responsibility ambitions as well as providing opportunities such as employee volunteering with local charities and organisations.

Additionally partnership working with the Two Ridings Community Foundation, using the model they have developed for establishing a Local Fund, would increase the efficiency of the community grant making process for the benefit of both the Council and applicants.

### **4.0 SIGNIFICANT RISKS**

- 4.1 **Accountability for decision making**  
Decisions for Community Grants are currently made by the RDC Grants Working Party and endorsed by the Policy and Resources Committee.  
The decisions for grants made through the proposed Local Fund would be made by a Panel external to the Council. Two Members will represent RDC on the Panel and the priorities and conditions of The Local Fund will be specified in the Fund Making Agreement. This agreement will be developed with members of the RDC Grants Working Party and agreed in consultation with the Chairman of the Policy and Resources Committee. (See below at 6.6).
- 4.2 **Relationship with local voluntary and community organisations**  
Ongoing engagement with communities, voluntary groups and individuals is a priority for the Council. Grant making provides both contact and intelligence and there is a risk that this could be lost by moving the operation of the grant making to a trust. This risk is mitigated by the continued involvement of elected members in supporting the Local Fund and decision making, and of Council Officers in project development (see below at 6.8a).
- 4.3 **Reputation of the Council**  
The funding relationship as proposed would be between applicants and the Two Ridings Community Foundation. The Fund Making Agreement will specify how the Local Fund for Ryedale will be promoted and what acknowledgement and publicity should be included in all correspondence and awards. (Section 7, Appendix A)

### **5.0 POLICY CONTEXT AND CONSULTATION**

- 5.1 The Council Plan priorities as agreed by members in April 2018 include the following:
- Capitalising on our culture, leisure and tourism opportunities
  - Managing the environment of Ryedale with partners
  - Minimising homelessness, improving the standard and availability of rented accommodation and supporting people to live independently
  - Making the best use of resources to ensure maximum benefit for all customers and communities across the district, particularly the most vulnerable
  - Helping our partners to keep our communities safe and healthy
  - Supporting Communities to identify their needs, plan and develop local solutions and resilience

The establishment of a Local Fund for Ryedale would support the delivery of the Councils priorities, including making more efficient use of officer capacity, reducing the administrative burden by at least two thirds of that currently required.

- 5.2 Group Leaders were invited to attend a briefing with the Chief Officer of the Two Ridings Community Foundation in February 2018 with further officer briefing at the regular group Leader briefing with Officers. Officers involved with grant making at RDC have also been engaged in discussions and briefings. Officers have also engaged representatives of the voluntary and community sector in early discussions on the principles of establishing a Local Fund for Ryedale.

## REPORT

### 6.0 REPORT DETAILS

- 6.1 Ryedale District Council (RDC) has a strong relationship with its community, including the many community and voluntary groups that comprise the 'third sector', who are in turn vital to the quality of life and wellbeing of residents and their communities. The Council has proudly supported the voluntary and community over many years with grant aid, delivered under various schemes. This report makes proposals in relation to the Community Grants and Arts and Heritage grant Funding. The arrangements for allocating Public Open Space and Recreation (S106 grants) and Flood Grants would not be affected by this proposal.

#### **Current Arrangements**

The current scheme operated by the Council is 'Community Grants' with a budget of £45,000 in 2017/18. Full details are available on the RDC website at <https://www.ryedale.gov.uk/living-here/community-living/community-grants.html>)

In addition, grant funding for the arts and heritage sector has been allocated through a commissioning process with recommendations made annually for approval by the Policy and Resources Committee. The budget for supporting the arts and heritage sector was £55,800 in 2017/18.

- 6.2 The current administrative process for the grants is as follows:
- a. **Pre Application:** A community organisation expresses an interest in grant funding for a particular project and is supported by the relevant officer (usually a Community or Specialist Officer) to develop and submit the project application, electronically. (The 'Pre Application' stage)
  - b. **Application and appraisal:** Once the application is made, the application and all the supporting information are recorded on the electronic data management system and the relevant officer then appraises the grant including a consultation with the Ward Member.
  - c. **Decision Making:** The applications are then considered by the Grants Working Party, at three meetings per annum, and recommended to Policy and Resources Committee for approval.
  - d. **Disbursement:** Once approved, a 'grant offer letter' is sent, and if this is accepted, the grants are paid 50% up front and 50% retrospectively (on project completion) with the case management and administration (including payments) undertaken by the relevant Community or Specialist Officer.
- 6.3 39 Community Grants were considered in 2017/18. It is estimated that each grant takes approximately 3 days of Officer's time to administer from application to completion. This time commitment equates to half of a full time officer post, spread across the community officer team and the specialist officers. The grants budget is

oversubscribed every year.

6 Creative Economy Commissions were awarded in 2017/18. The process is similar to that outlined in 6.2 above, although 'Voluntary Sector Funding Agreements' are used to detail the activities commissioned and these are specialist in nature and time consuming to negotiate for both the recipient organisations and the specialist officers.

### **Proposal**

- 6.4 Two Ridings Community Foundation (TRCF) is a registered charity which operates across North and East Yorkshire providing grants at a local level and distributing over £1million to small community groups and projects across Yorkshire in 2017. It has achieved the highest level of quality assurance in grant making and fund management. Further information on the TRCF can be found on their website <https://www.trcf.org.uk/>

The grants are made from a range of funds held for individuals, companies and local authorities or as a result of a legacy left in the will of a supporter, or from dormant Trusts. TRCF recently worked with Harrogate Borough Council to launch The Local Fund for Harrogate details can be found on the following website <https://www.trcf.org.uk/tlfharrogate>. It is this approach to grant making which is being proposed to members.

TRCF has been commissioned, UK Community Foundations, to produce a 'Vital Signs' report outlining the priorities for each District in North Yorkshire. A vital signs will be prepared for the Ryedale area as part of the development of the local fund.

Using a combination of existing research and surveys with local residents, Vital Signs reports give a full picture of social trends; key community needs; and what people think of the places where they live and work. The reports also act as guides to charitable giving by identifying areas of key needs.

Further information can found on the UK community Foundation website <https://www.ukcommunityfoundations.org/our-network/vital-signs?cookies=yes>

- 6.5 It is proposed that in the interest of efficiency of the service and ongoing fund development that RDC commissions TRCF to undertake administration of the grant process. This would be through the creation of 'The Local Fund for Ryedale'. The Fund would be held externally to the Council, by TRCF, and would be joined together with additional funds from existing local Trusts and Charities, adding value to the grant funding available from RDC. Further, there is potential for additional new funding to be added to the fund by encouraging the private sector to support local grant giving through corporate social responsibility and individual donations. The Ryedale Fund would provide a single 'front door' for community groups to access the funding. This single point of access would be used by RDC Officers in supporting the development of applications to the fund. The Local Fund would be an asset for the whole district with decisions made locally by a panel comprised of representatives of Ryedale communities, including RDC elected members.
- 6.6 A Local Fund Steering Group would be established to develop the Local Fund for Ryedale. This would include representatives from TRCF, the Chair and Vice Chair of the Grants Working Party and officers involved in the current grant making process. This group would undertake the following:
- i. Develop the Fund Making Agreement, determining the priorities for the Fund, based on RDC priorities as agreed by Council and informed by local community and residents' needs and research undertaken in the TRCF 'Vital Signs' report for

- Ryedale. An illustration of the content for a Fund Making Agreement is included in Annex A.
- ii. Assist with the establishment of the 'Friends of The Local Fund for Ryedale'. This will be a voluntary group that supports the Fund with promotion, fundraising and contributing time to administration of the scheme.
  - iii. Assist with the establishment of the 'The Local Fund for Ryedale Panel'. The Panel will be responsible for making decisions on grant applications. Council will appoint two Members to the Panel. Other members of the Panel will be drawn from the community.
  - iv. Assist in the development of publicity and marketing for the launch of the Fund.
  - v. The group would conclude when the Local Fund for Ryedale has been launched.
- 6.7 TRCF charge a fee of 10% for administering any funds donated by the Council to the Local Fund. This would be paid from any donation agreed to be made to the fund by the Council.
- 6.8 The new process for applicants would then be:
- a) **Pre Application:** Community Officers and Specialist Officers support project development.
  - b) **Appraisal and application:** Applications would be made online and direct to TRCF who would also manage the appraisal process.
  - c) **Decision Making:** This would be undertaken by The Local Fund for Ryedale Panel. The recommendation for grant approvals from the LFR Panel to be ratified by TRCF Trustees in accordance with the Governance structure of the Community Foundation.
  - d) **Disbursement:** All payments, monitoring and evaluation would be undertaken by TRCF.
- 6.10 An annual report would be presented to the Overview and Scrutiny Committee outlining the grants awarded by the Panel from the Local Fund, with an evaluation of their impact.
- 6.11 Public Open Space and Recreation (S106 grants) and Flood Grants will not be included in the Fund, but will remain in the purview of Grants Working Party.

## 7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial  
The donation to the TRCF from RDC would be in the sum of £80,000 with £45,000 being contributed from the Community Grants budget and £35,000 from the Creative Economy budget being transferred to TRCF to make disbursements to successful grant applicants. 10% of the grant fund would be used for administration by TRCF.
  - b) Legal  
The Fund Making Agreement will determine what the RDC donation will be used for. An example of the format for such an agreement is attached at Annex A.
  - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
Any potential applicant to the RDC grant funds can already apply to the TRCF for funding, this proposal would provide a single point of access for a wider range of grant funding there by increasing access to funding for organisations in Ryedale. There is potential for the funding contributed by RDC to the Local Fund to generate

additional donations from individuals, businesses and other organisations.  
The proposal would increase the capacity of both the Community Team and the Specialist officers at no additional cost to the Council, reducing the administrative burden placed on the council by at least 60%.

## 8.0 NEXT STEPS

Early August 2018	Local Fund for Ryedale steering group established Ryedale Vital Signs report prepared
October 2018	Appointment of RDC representatives to LFR Panel by Council Launch of the Local Fund for Ryedale PR and Media campaign launched 'Friends of the Local Fund' established Present Vital Signs report for Ryedale
December 2018	Local Fund for Ryedale opens for applications
January 2019	Deadline for Applications to the Local Fund
March 2019	Grants Awarded

The first round of grant making would replace the last community grants funding round as published on the Council website for 2018/19

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### Background Papers:

RDC Grants Programmes

<https://www.ryedale.gov.uk/living-here/community-living/community-grants.html>

Two Ridings Community Foundation – Local Fund for Harrogate

<https://www.trcf.org.uk/tlfharrogate>