

Council



Date of meeting - 18 July 2024

Title	Spelthorne Annual Grants 2025/26
Purpose of the report	To make a decision
Report Author	<i>Lisa Stonehouse Community Development Manager</i>
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	Community
Recommendations	<p>Council is asked to approve the following:</p> <ol style="list-style-type: none">1. Provide indicative grant funding for the five-core funded voluntary organisations (Voluntary Support North Surrey, Citizens Advice Runnymede and Spelthorne, Homestart, Age UK and Shopmobility) for the financial year 2026/2027 when the 2025/2026 grant award is made.2. Ring fence a minimum of £3000 of the grants budget to sport and active lifestyle projects and £3000 to arts projects. (subject to receiving applications from sport and art organisations).3. Amend the grant eligibility criteria to exclude schools and Parent Teacher Associations from applying.
Reason for Recommendation	<ul style="list-style-type: none">• Longer term funding of the five core voluntary groups will enable those groups to make longer term plans and recruit and retain staff.• Specifying the amount of funding to be given to sport/active lifestyle and arts projects will ensure that this funding is protected for these areas.• To make the eligibility criteria clearer for applicants

4. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> The Council has a community grants budget. Grants are allocated annually to charities and voluntary groups. 	<ul style="list-style-type: none"> Five charities (Voluntary Support North Surrey, Citizens Advice Runnymede and Spelthorne, Homestart, Age UK and Shopmobility) receive regular core funding from the council. Core funding is extremely important as opportunities for charities to apply for revenue funding are limited and these organisations provide crucial services. The disadvantage with annual funding is that the charities are uncertain as to whether they will receive a grant each year. This prevents these agencies from making long term plans and makes it difficult for them to recruit and retain staff, which is incredibly important given the specialised and regulated nature of their work. The leisure grant funding for sports/active lifestyle and arts was transferred to the annual grant budget some years ago to prevent duplication. There is a danger that without a Council decision this funding won't be awarded to sports/active lifestyle and arts projects as originally intended. Sports/active lifestyle and arts projects provide crucial community services such as wellbeing and preventing anti-social behaviour. In the 24/25 financial year there was a grant application from a school for a school playground which the grants panel felt shouldn't be funded by SBC.
This is what we want to do about it	These are the next steps

<ul style="list-style-type: none"> • It would be beneficial if the five core funded charities could have more certainty about receiving an annual grant. It would also be beneficial for the council to know the indicative grant information a year in advance. An additional year of indicative funding would assist the charities with forward planning, staff recruitment and retention. • Voluntary Support North Surrey have a longer- term agreement with Runnymede Borough Council (RBC) and Surrey Heath Borough Council (SHBC). Citizens Advice Runnymede and Spelthorne have a three-year community grant agreement with RBC. This enables them to plan and efficiently run the service they are able to plan beyond 12 months. It also supports them to recruit and retain staff. • It is important to ensure that funding for sports/active lifestyle and arts continues as they have an important role in the community by providing crucial community services which have a positive impact on wellbeing and preventing anti-social behaviour. • Council agreement is required to enable the eligibility terms and conditions to be amended to prevent school and Parent Teacher Association applications. 	<ul style="list-style-type: none"> • The Community Wellbeing and Housing Committee has made a recommendation to Council. Council is asked to approve the recommendations.
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4.1 This report seeks a decision from Council regarding the proposal for the five regular core funded charities (Voluntary Support North Surrey, Citizens Advice Runnymede and Spelthorne, Homestart, Age UK and Shopmobility) to be given an indicative grant award for the financial year 2026/2027 along with the grant award for the 2025/2026 financial year. There would be a specific

application process for the 5 core funded charities which will include a new application form. The award would be subject to the charity's performance and the SBC financial situation. The report also seeks a decision regarding the value of awards given to sport/active lifestyle and arts organisations and seeks an amendment to the eligibility criteria to prevent applications from schools and Parent Teacher Associations.

4.2 These decisions will enable the charities to:

- I. Plan ahead for specific projects and to assist with the recruitment and retention of staff.
- II. Ensure that the allocation of grants for sports and arts activities continues.
- III. Ensure that community groups/organisations are clear about their eligibility to apply for a grant.

5. Key issues

5.1 Core funding for charities is crucial as opportunities for charities to apply for revenue funding are limited. The five-core funded voluntary organisations struggle with grant funding being allocated on an annual basis as this prevents them from planning ongoing projects and makes it difficult to recruit and retain staff. The retention of staff is incredibly important given the specialised nature of their work. In January 2024 several of the core funded charities were concerned about potentially having to make redundancies if a grant wasn't secured.

5.2 Runnymede Borough Council (RBC) and Surrey Heath Borough Council (SHBC) have introduced ongoing funding arrangements with some charities. Voluntary Support North Surrey have a three-year grant agreement with RBC and have a two-year ring-fenced grant arrangement with SHBC. Citizens Advice Runnymede and Spelthorne (CARS) have a three-year community grant agreement with RBC. They only apply once every three years and work to a three-year Service Level Agreement with them.

5.3 It is recommended that the five core funded organisations will continue to complete a grant application each year and subject to satisfactory outcomes the grant for the next financial year and an indicative grant for the year after will also be awarded. If this arrangement proves to be satisfactory a longer-term arrangement could be considered by committee in 2025. Issues for future discussion could include the criteria an organisation will need to meet to receive an indicative award and the authorisation required to do this.

5.4 For many years £2500 was transferred from the Leisure Budget to Spelthorne Sports Council and £2500 to Spelthorne Arts Association to enable them to develop sport and art in the community. Both organisations disbanded in 2022 and this funding was put forward as a saving. It is therefore important that there is some ongoing investment in sports/active lifestyle and arts via the council grants.

5.5 In the financial year 2015/16 a decision was made to transfer the leisure development grants budget into the council grant budget. £2500 for sports/active lifestyle projects and £1700 for arts projects was transferred. With inflationary price rises it is recommended that a minimum of £3000

should now be ring fenced for sports and £3000 for arts. The panel will have the discretion to award more than the minimum amount for deserving causes. Both have huge benefits for residents of all ages such as increasing community cohesion, improving the physical, emotional and social health and wellbeing of people of all ages and preventing issues such as antisocial behaviour. If there aren't any applications from sports/active lifestyle and arts organisations the grants panel will have the discretion to re-allocate these funds to other applicants.

- 5.6 In the financial year 23/24 the panel received an application from a junior school for a grant towards a school playground. The grant panel did not think it appropriate for SBC to grant fund projects in schools and suggested that the eligibility criteria is amended to reflect this. The school application and others that weren't successful in applying for SBC funding were referred to other funding sources such as The Community Infrastructure Levy funds (CIL) and several other grant funding bodies including The Borough Council Better Neighbourhood Grants and Surrey County Councillor grants. The current grant eligibility criteria is attached in **Appendix A**

6. Options analysis and proposal

Indicative Award for 26/27

- 6.1 Option 1 is to award a grant and an indicative grant award for the following year. The benefit of this is that the five core funded charities will be able to make longer term plans and it will assist with staff recruitment and retention. The benefit to SBC is that there will be an advanced indication of the grant that may be required. The disadvantage of this is that in the event of financial difficulties SBC may have to withdraw or reduce the indicative grant award proposal. These risks could be mitigated as outlined in the risk section.
- 6.2 Option 1a is to make no changes and to continue to make the awards on an annual basis. The advantage of this is that this is 'business as usual' for SBC. The disadvantage of this is the strain that this puts on the grant recipients.

Sports and Arts funding

- 6.3 Option 2 – to ensure that grants panel provides £3000 to sports/active lifestyle organisations and £3000 to arts organisations. The advantage of this is that sports and arts organisations have huge benefits for residents of all ages such as increasing community cohesion, improving the physical, emotional and social health and wellbeing of people of all ages and preventing issues such as antisocial behaviour. Social Care colleagues often refer to some of these organisations for 'early help' to prevent people requiring statutory services.
- 6.4 Option 2a – Do not ring fence £3000 for sports organisations and £3000 to arts organisations. The advantage of this that this funding could be given to other equally deserving organisations. The disadvantage of this is that the benefits of sports and arts in the community may be lost and there would be less access to 'early help' services.

Make the eligibility criteria clearer

- 6.5 Option 3 – Make the eligibility criteria clearer to prevent schools and Parent Teacher Associations (PTA's) from applying. Borough Councils haven't previously provided funding for schools. Other funding sources will be promoted to these organisations as mentioned in 5.6.
- 6.6 Option 3a – Leave the eligibility criteria as it is. This would mean that it wouldn't particularly exclude applications from schools and Parent Teacher Associations.

7. Financial management comments

- 7.1 The community grants baseline budget for the 2024/25 financial year was £226,700. This included a 5% inflationary uplift on 23/24. It is hoped that the 2025/2026 figure would be a similar figure along with another inflationary uplift. The demand for grants far outstrips the available budget. In the financial year 2024/2025 40 applications were received, and funding requests exceeded the baseline budget by £218,113.
- 7.2 The table below lists the 5 core funded charities and the grant awarded in the financial year 2024/2025

Organisation	Primary Focus	Core Funding Awards in 2024/2025
Citizens Advice R&S	To ensure the citizens of Spelthorne have access to free, independent, confidential advice and information	£72,000
AGE UK	Befriending and Information and Advice service.	£32,000
Voluntary Support North Surrey (VSNS)	To support a stronger and more sustainable voluntary sector in Spelthorne.	£38,000
Home-Start	To support parents and their children through difficult times.	£28,600
Shopmobility	To provide an equality of opportunity for people with limited mobility or visual impairment, wishing to visit Staines town centre.	£12,500
Total		£183,100

8. Risk management comments

- 8.1 Identified risks include:
- I. The Council may decide not to go ahead with the indicative budget for 26/27. This will mean that the community groups are not able to plan ahead.
 - II. In the event that an indicative grant is approved by Council there is still a risk that the grant budget could be reduced. This could result in not being able to provide the indicative grant award or provide less than indicated. This could result in community services being cut. This could have a huge impact on the community and damage the reputation of the Council. To mitigate this risk it would be made clear in

the agreement that the indicative funding is not guaranteed until the budget for the forthcoming year has been finalised.

- III. It is possible that the grant recipient may amend their request for an indicative award as the financial year in question draws nearer. Their request may increase or decrease.
- IV. A reduction in the grant budget could also mean that tough decisions have to be made about the number of organisations SBC could support. This could result in community services being cut, which would have a huge impact on the community and the reputation of the Council. There are other options for funding such as CIL and several other grant funding organisations. Smaller grants are also available from county and borough councillors.
- V. Several of the core funded grant recipients are also funded by multiple partners such as Surrey County Council (SCC). We are aware that SCC have reduced or will be reducing their funding which could impact the future sustainability of these organisations.

9. Procurement comments

9.1 N/A

10. Legal comments

10.1 Further to section 137 of the Local Government Act 1972, the Council has the power to incur expenditure, which in its opinion is in the interest of and will bring direct benefit to its area or any part of it to all or some of its residents.

10.2 The Legal services team will provide advice and assistance on the preparation of any necessary documentation if applicable.

11. Other considerations

11.1 Spelthorne Borough Council support the voluntary sector to address the rising unmet need in the community. Many voluntary organisations fulfil a role that was previously undertaken by the public sector. Financial support for this sector is essential to complement council services.

11.2 The voluntary sector offers services to a diverse range of communities. It often delivers outcomes that the public sector is not able to deliver on its own, or no longer delivers. One-to-one support, dedication to a specific group or cause and expert advice are examples of voluntary sector support.

11.3 Other public bodies such as Surrey County Council and the North-West Surrey Alliance also see the voluntary sector as important providers and, in some cases, fund them separately.

11.4 The grant application process will start earlier than previous years due to the earlier committee date. The application window will open in September 2024 and the panel will meet earlier to ensure that the report goes to committee on 7 January 2025.

12. Equality and Diversity

12.1 Some providers supported by grant funding represent or advocate for minority groups, user groups, and faith communities. Care is taken by the grants panel when reviewing applications to ensure a fair mix of organisations supporting all aspects of our communities benefited.

13. Sustainability/Climate Change Implications

- 13.1 The grants panel aim is to support a cross section of voluntary organisations. This includes encouraging applications from organisations committed to sustainable practices. Successful applicants will be asked to engage with the councils Climate Change & Sustainability specialist to ensure that they receive information and advice about energy conservation projects and funding.

14. Timetable for Implementation

- 14.1 If the Council decision is to go ahead with indicative grant funding for 2026/2027 this will be communicated to the 5 core funded organisations in consultation with the finance and legal teams. If this arrangement proves to be satisfactory a longer-term arrangement could be considered by Council in the future. Issues for further discussion could include further criteria an organisation will need to meet to receive an indicative award and the authorisation required to do this.

15. Contact

- 15.1 The contact for queries relating to this report is:
Lisa Stonehouse - L.stonehouse@spelthorne.gov.uk

Background papers: There are none.

Appendices:

Appendix A – The current grant application form