



Prosperous Communities

Tuesday, 03 December 2024

Subject: Voluntary & Community Sector Funding

Report by:	Director of Planning, Regeneration and Communities
Contact Officer:	Grant White Communities Manager grant.white@west-lindsey.gov.uk
Purpose / Summary:	To update on the voluntary & community sector funding review and present recommendations on future funding awards.

RECOMMENDATION(S):

1. That Committee approve Voluntary & Community Sector funding grants for 2025/26 as follows:
 - Call Connect - £30,000
 - Citizens Advice Lincoln & Lindsey - £60,200
 - Gainsborough Adventure Playground Association - £15,000
 - Lincoln Area Dial-a-Ride - £13,000
 - Live & Local - £3,500
 - The Conservation Volunteers - £30,000
 - Voluntary Centre Services - £25,000
 - West Lindsey Churches Festival - £8,000
2. That Committee approve to continue the work of the VCS Funding Review as set out in Section 6 of this report and present a report to the Prosperous Communities Committee by September 2025.

IMPLICATIONS

Legal:

Grant funding agreements used meet legal requirements and have been approved for use by Legal Services. All grants awarded will comply with necessary legal regulations and same requirements will be placed on projects and organisations funded.

Financial: FIN/96/25/PC/SL

There is ongoing base budget within the MTFP of £184,700 pa in relation to the current commitment for Voluntary & Community Sector funding grants, which matches the proposed grant awards for 2025/2026.

Staffing :

The management of VCS Grants will be delivered using existing staff resources within the Council's Communities Team.

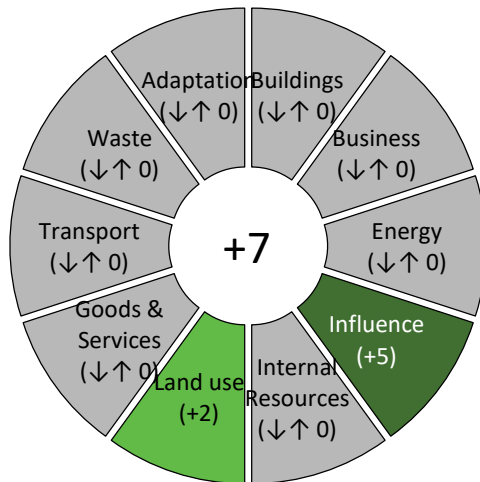
Equality and Diversity including Human Rights :

Grant funding activity will be delivered in accordance with Council's equality and diversity policies. Organisations receiving funding will be required to meet the same standards and protections are included within grant funding agreements.

Data Protection Implications :

Grant funding activity will comply with all necessary data protection requirements. Data collected for grant awards will be stored securely including financial information for grant payments.

Climate Related Risks and Opportunities :



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West Lindsey District Council will be net zero by 2050 (25 years)

The delivery of VCS Grants will utilise a digital first approach with use of electronic forms, documents and e-mail to avoid the need for printing.

The organisations receiving VCS Grants may have a direct impact on carbon reduction and environment through the work they deliver. As part of grant monitoring and evaluation any impacts on environment will be captured.

The work delivered by The Conservation Volunteers will have a direct impact on environmental protection with council owned green spaces being maintained and enhanced.

Section 17 Crime and Disorder Considerations :

There are no considerations for this report however some organisations funded may have a direct or in-direct impact on helping to reduce the risk of crime and disorder. Where possible this will be captured in any monitoring and evaluation reporting.

Health Implications:

VCS Grants support targeted services across West Lindsey which all have a direct impact on health and wellbeing of service users. The impacts can be wide ranging, and some cases are in-direct benefits as a result of a service being delivered.

Monitoring and evaluation help capture details of the impact on health and wellbeing. This is also presented in the form of case studies to help demonstrate the impact on individuals by organisations we grant fund.

Title and Location of any Background Papers used in the preparation of this report:

None

Risk Assessment :

None

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

- 1.1 The Community Grants Panel with support from the Communities Team has conducted a review of Voluntary and Community Sector core funding as requested by Prosperous Communities Committee on 19th March 2024.
- 1.2 The Community Grants Panel is a Member Working Group with cross party representation and has 5 members appointed at full council.
- 1.3 The Council provides core funding for identified organisations that are important to achieving its corporate plan objectives. The historic arrangement for these grants are based on identified need and shared objectives.
- 1.4 The decisions around core funding arrangements have been agreed on either an annual or 3-yearly basis. These decisions have been informed by monitoring and impact data.
- 1.5 The following core funding grants are being provided during the current financial year 2024/25:

Organisation	2024/25 Funding
Call Connect (LCC)	£30,000
Citizens Advice (Lindsey & Lincoln)	£60,200
Gainsborough Adventure Playground Association (GAPA)	£15,000
Lincoln Area Dial-a-Ride	£13,000
Live and Local	£3,500
The Conservation Volunteers	£30,000
Voluntary Centre Services	£25,000
West Lindsey Churches Festival	£8,000
TOTAL:	£184,700

- 1.6 The total core funding value for all grants listed above is £184,700 for 2024/25.
- 1.7 This report details the work of the review to date, proposes additional actions for this review work and proposes funding commitments for the 2025/26 financial year.

2 Context

2.1 National research on the status of the voluntary and community sector is highlighted in the Civil Society Almanac 2023¹:

- The number of micro voluntary organisations increased, but with a decline in the number of small and medium-sized organisations.
- The combined effects of the pandemic and cost of living continue to impact the sector.
- Growth within the VCS has slowed since 2019/20 and fell during the pandemic. Income fell by 6% with spend decreasing by 8%.
- Volunteer retention for older and social-economically disadvantaged groups has become challenging.

2.2 The predicted impact on the sustainability of smaller VCS organisations national is also likely to be the case in West Lindsey.

2.3 Declines in government funding, grants and foundation funding are likely not to be made up in public donations and support due to cost of living. This leaves the sector, and the people they serve, vulnerable.

2.4 The UK government commissioned research (August 2022) looking at the growth potential and barriers for VCS organisations, in particular in relation to the delivery of public services and their participation in public procurement and commissioning processes.² The report recognised the importance of place-based action by VCS organisations with strong links to their locality. It highlighted that the public procurement and commissioning processes tended to favour larger VCS organisations with income over £10m. Barriers were identified for the vast majority of VCS from accessing public funding despite delivering significant social value. The report recognised the importance of grants as part of the VCS support process alongside public procurement was required processes as well as utilisation of the Social Value Model in procurement processes.³

2.5 The delivery of West Lindsey District Council's Corporate Plan is reliant on many areas on strong partnerships with the Voluntary and Community Sector.

¹ <https://www.ncvo.org.uk/news-and-insights/news-index/uk-civil-society-almanac-2023/>
NCVO – UK Civil Society Almanac 2023

² <https://www.gov.uk/government/publications/the-role-of-voluntary-community-and-social-enterprise-vcse-organisations-in-public-procurement> (Accessed October 2024)

³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940826/Social-Value-Model-Edn-1.1-3-Dec-20.pdf (Accessed October 2024)

3 Review Methodology and Findings

- 3.1 The purpose and research questions of the core funding review were agreed by the Community Grants Panel. The focus of the review was on:
- a) The definition, purpose, principles and intended outcomes of the core funding.
 - b) The activities and impact of existing grantees against the purpose, principles and outcomes.
- 3.2 The methodology of the review was desk research and interviews with key stakeholders and interviews and evidence submission by current grantees.
- 3.3 The review was advised by the Community Grants Panel which met three times between May and October 2024 solely on the review.

4 Findings

- 4.1 The Community Grants Panel with support from officers has developed a VCS core funding definition, purpose and principles. A summary is included as **Appendix 1**.
- 4.2 The activities and impact of the grantees were good, and all grantees are providing important services in the community. All activities aligned to West Lindsey District Council Corporate Plan priorities. A summary is included in **Appendix 2**.
- 4.3 Agreed funding for core grantees by the Council has never had an increase to take into consideration delivery cost inflation.
- 4.4 Any reduction of core funding to any of our existing grantees may impact on service delivery and beneficiaries in West Lindsey. This ranges from a possible cessation of activities in the district to a reduction in activities which may impact some residents. A summary of possible impacts is included in **Appendix 3**.
- 4.5 West Lindsey District Council is currently one of the most active core funders of voluntary, community and social enterprise organisations in comparison with other surrounding local authorities.

5 Review Discussions

- 5.1 Based on the rationalisation of the purpose and principles of core funding and the evidence gathered, future eligibility of grantees for core funding was discussed. Discussion took place in the context of potential financial pressures in future years for the council.
- 5.2 The Community Grants Panel recommended supporting core funding for all current grantees until March 2026. This was deemed important to

ensure sufficient time for planning, fundraising, beneficiary support and effective communication by grantees, partners and the council.

- 5.3 The Community Grants Panel highlighted the specific importance of the district-wide activities and accessibility as a fundamental aspect of any work by grantees supported by core funding.
- 5.4 It was noted that all current grantees are effective and valuable organisations and should be considered for funding/support through other mechanisms at the Council (e.g. open community grant schemes) aligned with Council priorities and strategies (e.g. Arts and Culture, Sport & Physical Activity and Communities at Risk).
- 5.5 It was highlighted that some grantees may benefit from support from, and partnership with, other possible partners including local authorities such as town, parish or county council.
- 5.6 At the time of doing this review work there is some uncertainty around future finances from Central Government for Local Authorities. This has an impact on the ability to make decisions about future financial commitments to VCS core funding.
- 5.7 Discussions with Councillors has highlighted the need for additional engagement with organisations currently core funded by the council as part of the VCS Core Funding Review work. This includes additional meetings, interviews and site visits for Councillors to fully understand the role and impact of core funded organisations.

6 Review Next Steps

- 6.1 To compliment the review work completed to date, it is proposed the following additional actions are taken:
 - Additional engagement with core funded organisations to identify and better understand longer term impacts on their services.
 - Arrange site visits and/or project meetings for members of the Community Grants Panel and Prosperous Communities Committee to meet with core funded organisations.
 - Assess the impact on VCS core funding following the budget setting process for 2025/26.
 - Refine and present a final VCS Core Funding definition, purpose and principles for approval.
 - Explore additional engagement opportunities with other stakeholders linked to core funded organisations.

- Present a report with future core funding recommendations to the Prosperous Communities Committee by September 2025.

7 Financial Summary

7.1 A budget of £187,400 is agreed within the MTFP from 2025/26.

8 Recommendations

- 8.1 That Committee approve Voluntary & Community Sector funding grants for 2025/26 as follows:
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