

Appendix 1 – Voluntary Sector Capital Grants Business Case

Budget Title: Voluntary Sector Capital Grants

Financial Bid 2016/17: £170,000

Business Case

The Voluntary Sector Capital budget is currently used to operate a grant scheme for the community/voluntary sector across the whole of Caerphilly county borough, known as the Community Regeneration Fund. Until August 2015 the budget was also used to match fund the Convergence funded South East Wales Community Economic Development Programme (SEWCED), but this project has now ended.

The Community Regeneration Fund has both capital and revenue streams of funding available. The purpose of the grant scheme is to foster and enhance viable and sustainable communities within the county borough, and to enable community/voluntary sector organisations to bid for funding to enable the sector to take forward initiatives they have developed for the benefit of the local community or service users. The grant scheme recognises the importance of the community/voluntary sector within the county borough and the value the Council places on their ability to identify and take forward projects that meet the needs of their local communities.

Organisations seeking support will be required to show that:

- the project will have an social, economic, environmental or cultural impact on the area or community concerned;
- the project demonstrates clearly that it is responding to needs identified by a community within Caerphilly county borough, whether that be a geographic community or a community of interest;
- the project is completely new in nature or offers significant extension or expansion to that which the organisation is already doing in the community; and
- the project will be managed by a voluntary or community organisation based within Caerphilly county borough.

Projects must also meet one or more of the following aims:

- they will enhance employment prospects and skills of local people, particularly the young and those at a disadvantage, and promote equality of opportunity.
- they will protect and improve the local environment and infrastructure, and bring land and buildings into effective use.
- they will enhance the quality of life of people through social, cultural and recreational opportunities.
- they will promote and encourage local people to secure a sustainable future for local communities and/or encourage regeneration.

Applicants to the Community Regeneration Fund (CRF) grant scheme are required to complete a formal application form which describes their project and how it meets the criteria for the grant scheme and the aims/objectives of the scheme. Eligibility criteria are shown overleaf.

All applicants must:

- be a local grassroots community or voluntary organisation based in Caerphilly county borough - applications are not be accepted from nationally based organisations unless they can demonstrate delivery within the county borough
- have a signed and adopted constitution or Memorandum & Articles of Association
- have a bank account in the name of the organisation
- have aims and objectives in keeping with those of the grant scheme
- have a clear management structure
- have clear financial controls in place
- have an agreed and adopted equal opportunities policy

It should also be noted that all applications are assessed using the following criteria:

- the project has social, economic, environmental or cultural benefits for the area or community concerned
- the project meets one or more aims of the grant scheme
- the project contributes to the sustainable regeneration of the area
- there is a financial contribution to the project from the applicant and/or other sources
- the project represents good value for money
- the project is capable of achieving spend during the life of the project
- evidence is provided that ongoing revenue costs and the sustainability of the project have been given due consideration
- the applicant organisation has a signed and adopted Constitution or Memorandum & Articles of Association
- the applicant organisation has an up-to-date set of audited or formally accepted accounts available if established for over one year
- plans/drawings are available where the project involves the construction, adaptation or refurbishment of a building
- planning permission, building regulations and all other necessary consents have been secured or applied for in relation to any building works (where appropriate)
- the applicant has provided evidence of ownership of the land/building that the project relates to, or that they have secured or are applying for a lease or licence for the land/building, with a minimum of 10 years to run
- it is clear how the project will encourage equal opportunities
- evidence is provided of support from appropriate organisations and/or individuals affected by the project

The grant scheme is managed as a competitive application process, with a minimum of three application rounds per annum. A Panel considers all the applications received, which is chaired by the Cabinet Member for Regeneration, Planning & Sustainable Development, with representation from the community and voluntary sector and the Corporate Policy Unit. All applications submitted are scored independently by the Grants Panel in advance of Panel meetings. At these meetings, each application is discussed in detail with reference to the agreed criteria outlined above before the Panel makes a collective recommendation on projects to be supported and amounts of funding to be awarded. Recommendations from the Panel in terms of funding to be awarded are approved by the Head of Public Protection under their delegated powers.

Capital grants of up to £25,000 per project are available, but most of the awards are for smaller amounts. Organisations are restricted to one award per individual project, but can apply for funding towards more than one project, or different phases of larger capital projects.

One thing of particular note with this grant scheme is that awards are capped at a maximum of 80% of total costs, with match funding being drawn in from a variety of sources including the organisations' own funds, and other grant funding programmes such as the Welsh Church Fund, Big Lottery and Community Facilities Programme, to name but a few. A summary of grants awarded and match funding drawn in by organisations for the past three financial years is shown in the table overleaf.

| Year | Total grant awarded | Match funding |
|---------|---------------------|---------------|
| 2013/14 | £99,151.20 | £32,542.70 |
| 2014/15 | £156,502.63 | £40,012.71 |
| 2015/16 | £211,568.83 | £110,240.42 |

In 2013/14 and 2014/15 the total of grants awarded was less than the £170k budget because match funding was being provided for the SEWCED project at that point. In each of those years the £170k total budget was fully allocated. As can be seen from the table, for 2015/16 there was an over-allocation of £42k, which was funded via an underspend on the revenue element of the budget (see RCCO previously approved for up to £50k). This evidences the continuing demand within the community/voluntary sector for this grant scheme.

Grant payments are made once work has been completed (e.g. where the project involves improvements to land/buildings) or where goods have been purchased, and these are seen or inspected during the claim process. Invoices or receipts must be provided to evidence work undertaken or where items have been purchased. At the end of each project, applicant organisations are asked to complete an end of project monitoring form which compares actual achievements against targets in their original application, and asked to provide reasons for any significant deviations.

Also worth noting is that the Community Regeneration Fund is often used to 'pump prime' applications to organisations such as the Lottery and the Welsh Government, and in 2015/16 three organisations were successful in securing very large grants from the WG Community Facilities Programme on the back of a smaller CRF grant:

Argoed Baptist Church £267k
 Newbridge Tabernacle Baptist Church £498k
 St Dingat's Church, New Tredegar £400k

The CRF is the only source of larger scale capital funding available to the voluntary sector from the local authority, and without this funding many of our local community based services would fall into disrepair, or new services and venues would not be offered to local residents.

Larger scale capital projects the grants programme has contributed to in recent years include:

- Senghenydd Community Centre
- Blackwood Little Theatre
- St Dingat's Church, New Tredegar
- Tabernacle Baptist Church, Newbridge
- Argoed Baptist Church
- Caerphilly Miners Community Centre for the Community
- St Martin's Church, Caerphilly
- The United Reformed Church, Caerphilly
- Taraggan Educational Gardens, Bargoed
- New Life Christian Church, Abercarn
- Penyrheol Community Centre

As outlined above, the budget for 2015/16 was over-committed by circa £50k, which evidences the ongoing demand for the grant scheme. The criteria and application documentation is in the process of being reviewed, to ensure it remains fit for purpose and to better align with the Wellbeing of Future Generations Act.