



## CABINET – 27TH MARCH 2019

**SUBJECT: WELSH CHURCH ACTS FUND**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION & CORPORATE SERVICES**

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### 1. PURPOSE OF REPORT

- 1.1 To recommend to Cabinet a number of changes to the operation of the Welsh Church Acts Fund (WCAF). The WCAF was established on 1<sup>st</sup> April 1996 from the former Gwent Fund and part of the former Mid Glamorgan Fund. The Fund covers the administrative areas of Blaenau Gwent, Caerphilly, Newport, Torfaen and Monmouthshire, with Monmouthshire being designated as the Lead Authority.

### 2. SUMMARY

- 2.1 The report will consider two key changes to how the WCAF is currently operated:
- The upper limit on the grant available to applicant organisations; and
  - The introduction of formal criteria in relation to the grant scheme to ensure that applicants are fully aware of how the scheme is operated within Caerphilly County Borough Council.
- 2.2 Each of these changes will be discussed in detail in the report that follows, together with the rationale for the proposed changes.

### 3. RECOMMENDATIONS

- 3.1 Cabinet approves the revised upper limit of £5,000 for applications to the WCAF grant scheme, with effect from 1<sup>st</sup> April 2019.
- 3.2 Cabinet approves the introduction of Caerphilly County Borough Council criteria for the operation of the WCAF grant scheme, with effect from 1<sup>st</sup> April 2019.

### 4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that the WCAF grant scheme is operated effectively, and benefits the communities of Caerphilly county borough.

### 5. THE REPORT

- 5.1 Cabinet will recall that at their meeting of 28<sup>th</sup> March 2018 a report was considered on proposed changes to the WCAF. Caerphilly County Borough Council receives an annual

allocation from Monmouthshire County Council of circa £62k. This allocation had not been spent in full for a number of years, leading to an unallocated balance of £263k to be carried forward to the 2018/19 financial year. Therefore, the total budget available for 2018/19 was £324,839.89.

- 5.2 The criteria that were applied when considering applications to the grant scheme prior to 2018/19 were as follows:
- i) A grant of no more than £2,000 to be given to partly fund projects of £6,000 and over
  - ii) Smaller projects less than £6,000 be grant aided up to a third of the total cost
  - iii) All organisations receiving grants produce the necessary financial records to show the expenditure has been incurred
  - iv) No organisation to apply in consecutive years
- 5.3 The Grants to the Voluntary Sector Panel had raised concerns for some time regarding the high level of balances being carried forward for the WCAF. Therefore, revised criteria were proposed to increase the upper limit of funding available, in order to utilise the carried forward underspend identified in 5.1. At the Cabinet meeting on 28<sup>th</sup> March 2018 it was agreed that the criteria be amended to the following:
- i) Applications of up to £5,000 to be fully grant funded;
  - ii) Applications above £5,000 to be subject to a grant rate of 75% on the sum in excess of £5,000 (e.g. an application requesting £8,000 that meets the criteria would receive £7,250 - £5,000 plus 75% of £3,000)
  - iii) The maximum grant payable to be £10,000
  - iv) The grants process be reviewed to expedite payments wherever possible and that options be explored for publicising the funding more widely
  - v) The number of quotes/estimates to be provided with applications be reduced to two for grant applications under £5,000 and three for applications over £5,000
  - vi) Grants should be restricted to community organisations and community based projects in the first instance and that this position is reviewed in 12 months
  - vii) Grants cannot be applied for in consecutive years
  - viii) The maximum time period in which a grant awarded can be claimed is 18 months
- 5.4 The revised criteria have been in operation since 1<sup>st</sup> April 2018. Responsibility for administering the WCAF moved from Corporate Finance to the Corporate Policy Unit on 1<sup>st</sup> May 2018.
- 5.5 Additional publicity has been undertaken to raise awareness of the grant scheme, in particular the increased upper limit that is available to projects and that projects of up to £5,000 can now be grant funded in full. This has led to a significant increase in interest in the WCAF, and since 1<sup>st</sup> April 2018, 39 individual projects have been approved totalling £191,264.39, with a number of other projects still in the pipeline. As stated in 5.1, the budget available for 2018/19 is £324,839.89, including underspends carried forward. Therefore, the unallocated amount currently remaining is £133,575.50.
- 5.6 As the amount of funding available in the budget has reduced substantially during the course of the financial year, it is likely that the remaining budget will be fully allocated in the near future. In future financial years the annual budget allocation from Monmouthshire County Council is likely to be circa £62k, although this amount is dependent on the investments of the overall WCAF.
- 5.7 Therefore, it is suggested that now would be a suitable time to revisit the upper level of grant that can be offered, in order to maximise the number of grants that can be supported and the benefits to our local communities. It is proposed that the grant criteria are revised so that the maximum grant available under the WCAF is £5,000, at a grant rate of up 100% as

appropriate. Projects with a total cost of over £5,000 would still be eligible for a grant of up to £5,000, but would need to seek match funding from other sources or their own funds. It is proposed that this change in criteria be implemented from 1<sup>st</sup> April 2019.

- 5.8 A further issue that needs to be addressed is the criteria relating to the WCAF and how it is used to support the scheme operated by the authority. As stated previously, the Corporate Policy Unit took over responsibility for the WCAF on 1<sup>st</sup> May 2018. The grant scheme had previously been the responsibility of Corporate Finance, who had administered the grant scheme since the authority was established on 1<sup>st</sup> April 1996. During discussions between officers of the two teams during the handover process, it was established that the WCAF has previously only been used for capital type activity e.g. works to land or buildings, purchase of equipment etc. However, the general criteria that apply to the WCAF are much wider (see Annex A for full list), and includes:
- i) The advancement of education
  - ii) Libraries, museums, art galleries etc.
  - iii) The relief of poverty
  - iv) The advancement of religion
  - v) Other purposes beneficial to the community
  - vi) Aesthetic, architectural, historical and scientific matters
  - vii) Medical and social research, treatment etc.
  - viii) Probation etc.
  - ix) People who are blind or visually impaired
  - x) Emergencies or disasters
  - xi) Other charitable organisations
- 5.9 Whilst the general criteria is wide ranging in nature, it does state that they are 'Charitable purposes for which the Fund may be applied', and therefore there is no requirement for the Council to offer grants under the WCAF for all of these categories. Historically, awards have been made in relation to categories (iv) The advancement of religion and (v) Other purposes beneficial to the community. In addition to this, at its meeting of 28<sup>th</sup> March 2018, Cabinet made a decision that 'grants should be restricted to community organisations and community based projects in the first instance and that this position should be reviewed in 12 months' time'.
- 5.10 Therefore, it would now appear timely to agree formal criteria under which the WCAF is operated by the Council, which can be shared with potential applicants prior to an application being made. In addition to this, a small number of applications have been received from individuals in relation to educational and other activities in the current financial year, which have not been approved, as to do this would contravene the decision made by Cabinet as referred to in 5.3. The majority of local authorities in Wales each have their own locally agreed criteria which describes how the WCAF is administered in that area, including what cannot be funded.
- 5.11 Annex B provides the proposed formal criteria for the WCAF moving forward. This document reinforces that the fund is primarily aimed at supporting churches, chapels, places of public worship, community organisations and charities operating in Caerphilly county borough. In addition, it states that the fund will support these organisations in the form of capital grants for the repair or refurbishment of buildings and the purchase of equipment to support the aims of the organisation and meet the identified needs of the local community.
- 5.12 The proposed formal criteria states clearly that the following items cannot be funded:
- Usual running costs of any organisation e.g. rent, utilities, insurance etc.
  - Any other revenue costs including the employment of staff, training etc.
  - Items for a one off or annual use and/or seasonal items

- Retrospective costs for any project i.e. costs for work already undertaken or equipment and/or materials that have been purchased or ordered prior to a formal grant offer being made and the Terms & Conditions of the grant being signed and submitted. If using a tender process, tenders cannot be awarded prior to a grant approval being made
- This list is indicative only and is not exhaustive

- 5.13 It is proposed, in response to a number of enquiries during the financial year, that the criteria are widened to allow applications from individuals in relation to 'the advancement of education' as detailed above. It is proposed that limited support would be provided for 'exceptional individuals' as a one-off grant of up to £1,500. It would be for the Panel to decide what is meant by 'exceptional', but applications could relate to sporting or academic pursuits, or other activities. All applications from individuals would be reported to the Grants to the Voluntary Sector Panel for consideration, and the Panel would make a recommendation on which applications should be supported and the amount of funding to be awarded. These recommendations would be considered and approved as appropriate by the Head of Corporate Finance under delegated powers.
- 5.14 It is worth iterating at this point that in the case of the authority, the amount of funding that has been available in the current financial year is a unique position due to underspends in previous years, and it is likely that these underspends will be allocated in full very soon. Moving forward, the budget available each financial year will then revert back to the allocation from Monmouthshire County Council of circa £62k.
- 5.15 Therefore, Officers recommend that Cabinet approves the proposed formal criteria for WCAF as detailed in Annex B.

#### 5.16 **Conclusion**

The report summarises the key changes that are proposed to the current criteria for the WCAF, which will ensure that the grant scheme continues to operate efficiently and benefits the communities of Caerphilly county borough.

### 6. **ASSUMPTIONS**

- 6.1 The report makes the assumption that in future the authority will continue to receive an allocation from Monmouthshire County Council of circa £62k in order to continue the operation of the WCAF.

### 7. **LINKS TO RELEVANT COUNCIL POLICIES**

#### 7.1 Corporate Plan 2018-2023

- 7.1.1 The report supports Objective 5 of the Corporate Plan 2018-2023 – Creating a county borough that supports a healthy lifestyle in accordance with the Sustainable Development Principle within the Well-being of Future Generations (Wales) Act 2015.
- 7.1.2 Applications from individuals to the Grants to the Voluntary Sector budget enable them to represent the county borough at a Wales or UK level or abroad, in their chosen sporting field. Taking part in sports will enable these individuals to be physically active and help to ensure that they lead healthy lifestyles.
- 7.1.3 Voluntary and community sector organisations make an important contribution to public service provision across the county borough. Grants offered to these organisations via the Grants to the Voluntary Sector budget and the Welsh Church

Acts Fund will help to ensure that they are able to provide the services required by residents within our local communities. This will ensure that residents are able to look after their own health and well-being.

## **8. WELL-BEING OF FUTURE GENERATIONS**

- 8.1 Voluntary and community sector organisations make an important contribution to public service provision across the county borough and are key participants in the 'Caerphilly We Want' Well-being Plan published on 3<sup>rd</sup> May 2018 under the Well-being of Future Generations (Wales) Act 2015. The Well-being Plan has four priorities – Positive Change, Positive Start, Positive People and Positive Places.
- 8.2 This report links to the following Well-Being Goals within the Well-Being of Future Generations (Wales) Act 2015:
- A prosperous Wales
  - A healthier Wales
  - A more equal Wales
  - A Wales of cohesive communities
  - A Wales of vibrant culture and thriving Welsh language
- 8.3 Grants awarded via the WCAF contribute to the following Well-Being Goals for Wales:-
- A prosperous Wales – grants offered to the voluntary and community sector will help these organisations and the buildings they own and manage to become more financially sustainable, and help them to provide much needed services to their local communities.
  - A healthier Wales – providing opportunities for residents to receive local services that are suited to their needs will help to improve their physical and mental well-being.
  - A more equal Wales – providing local services in community settings will help to ensure that residents are able to fulfil their own potential, regardless of their background or personal circumstances.
  - A Wales of cohesive communities – community buildings are often at the heart of the local community, which helps to ensure that our communities can thrive and there is a focal point where residents can come together.
  - A Wales of vibrant culture and thriving Welsh language – the activities that are provided by the community and voluntary sector encourage residents to participate in the arts, sports and recreational activities.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 There are no direct equalities implications arising from this report so no Equality Impact Assessment has been undertaken.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The recommendations outlined in the report will ensure that the budget available for the WCAF is spent in accordance with agreed criteria, and ensure that the Council does not exceed the amount of budget available via the annual allocation from Monmouthshire County Council.

## **11. PERSONNEL IMPLICATIONS**

- 11.1 There are no personnel implications.

**12. CONSULTATIONS**

12.1 The views of consultees will be incorporated into the report before it is considered by Cabinet.

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### 13. STATUTORY POWER

#### 13.1 Local Government Act 1972 and 2003 and the Council's Financial Regulations.

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Appendices:

Annex A Welsh Church Act Fund – The charitable purposes for which the Fund may be applied  
Annex B Welsh Church Act Fund – Caerphilly County Borough Council Application Criteria

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