

EASTBOURNE BOROUGH COUNCIL COMMUNITY & HOUSING GRANTS POLICY

Eastbourne Borough Council recognises the immense value of voluntary and community activity and its contribution to residents' well-being, the local economy and the sustainability of a wide range of services which benefit people living and working in the town and visitors.

Legislation

[Section 137](#) of the Local Government Act 1972 applies to expenditure incurred or contributions made to charitable organisations or to not-for-profit organisations providing a public service. It states that a local authority may incur expenditure which in their opinion is *in the interests of, and will bring direct benefit to, their area or any part of it or all or some of its inhabitants*

Section 1(4)(c) of the Localism Act 2011 permits a local authority to do anything that individuals generally may do, in any way whatever, including power to do it for, or otherwise than for, *the benefit of the authority, its area or persons resident or present in its area*.

Grants Overview

The Council has three programmes:

- 1) Major grants – £203,000 available to be distributed as grants of more than £10,000
- 2) Small grants – £60,000 available to be distributed as grants of up to £5,000
- 3) Housing grants - £56,500 available to be distributed as grants of more than £10,000

In addition to the Community and Housing Grants programme, the Council awards small grants through the Devolved Ward budgets, which currently total £90,000. This brings the total available from the Council for small grants to £150,000.

The commitment to offering small grants recognises the importance and effort of many small community organisations in the town which rely to a large extent or, in most cases, entirely, on unpaid staff.

Major and Housing grants – more than £10,000

The Council has allocated £259,500 to be awarded in the form of Major and Housing grants for revenue spending only.

These will be awarded for three years at a time, every three years beginning 1st April 2019 to 31st March 2022 and will be subject to grant conditions and quarterly monitoring.

Priorities for these grants will be set during the year before funding becomes available – so for funding 1st April 2019 to 31st March 2022 priorities will be set in 2018.

Given current constraints on all Council budgets, the Council will not make any allowance for inflation, but will instead set the grant level at the same amount for the three year period.

Projects and services awarded Major or Housing grants for any period should not assume that they will be awarded grant funding in future years. Grants will be awarded on the basis of the priorities set at the time and the criteria and assessment process set out in this policy.

Small grants – up to £5,000

The Council has allocated an annual budget of £60,000 to be awarded in the form of small grants. These will be awarded for one year only and will be designed to support new activities and projects which promote voluntary and community activity in Eastbourne. These may be for small capital items such as new equipment or for revenue spending.

The Council is looking to support new initiatives and all applications will be considered on their own merits each year. Organisations which have received a grant in previous years must not assume or plan for a grant to be awarded in the next year.

Priority will be given to projects which are not eligible for funding from Devolved Ward budgets. Those which are eligible will be expected to show that they have applied for support from the Devolved Ward budget in their area.

Priority will be given each year to projects which promote inclusion and the needs of those communities and groups protected under current Equality legislation (Equality Act 2010 and any subsequent amendments.) Higher priority will be given to those projects which are specifically designed to involve protected groups in running and developing services.

Other priorities for funding from the Small Grants programme will be changed from year to year to ensure a fair distribution of funding to different types of project and to ensure that emerging needs are reflected. The priorities for the year ahead will be confirmed each year for the following year's programme.

The Council will NOT fund:

- Major capital works or projects
- Any project that duplicates services already provided and funded elsewhere
- More than one project per organisation. For example, those in receipt of a Major Grant or Housing Grant will not be eligible to apply for a Small Grant.

Eligibility criteria

Grants will only be awarded to organisations or partnerships which can demonstrate that they:

- Have a need for grant funding. We will not give grants to any organisation with significant uncommitted funds or which itself makes grants to other organisations
- Have sound governance arrangements
- Have sound financial management and plans
- Can demonstrate good value for money and demonstrate a significant use of volunteers in the delivery of their services
- Have clear policies on equality and inclusion covering service users, volunteers and staff and encompassing all those groups protected under the Equalities Act 2010. Ie-

They must demonstrate that they have designed activities and services which are easily accessed by everyone and address the needs of people on low incomes.

We actively encourage applications from consortia and partnerships, subject to a lead organisation taking responsibility for delivery and providing evidence and supporting documents of their eligibility as set out below.

Applications are welcomed from organisations based outside Eastbourne, where the service will be delivered in Eastbourne and for the direct benefit of Eastbourne and the beneficiaries will be Eastbourne residents.

Grants may be awarded to groups which are branches of regional or national organisations, subject to the provision of monitoring information in a form to be agreed with the Council that clearly demonstrates how the funding has been used in Eastbourne.

Procedure for awarding grants

Not-for-profit organisations will be invited initially to submit expressions of interest. These will be checked by Officers and the Grants Task Panel to ensure they meet the eligibility criteria and address the priorities set for that particular year. Those which do will then be invited to submit a full application which must be supported by the following documents required as evidence:

- Constitution / Memoranda and Articles / Terms of Reference
- Statement of accounts / income and expenditure
- Bank statements / Building Society passbook
- Equality and diversity policies

Only eligible applications will be considered for funding.

Eligible applications will be assessed against the following criteria:

- 1) Has the applicant received funding within in the previous three years?
- 2) If so, is the Grants Task Group satisfied that the organisation has delivered the project and / or services set out in its previous application and grant conditions?

Any application from an organisation which has not delivered against its previous grant to the satisfaction of the Grants Task Group without good reason will not be considered as a priority for further funding.

Eligible applications will be assessed against the following criteria:

- Identified need and strategic relevance – 40%
- Quality – 20%
- Impact – 20%
- Value for Money – 20%

Applications will be assessed and considered by the Grants Task Group against these criteria and the priorities agreed by Cabinet. The Group will then recommend grant awards to Cabinet, subject to final agreement of Council budgets in February each year.

The Grants Task Panel will endeavour to fund all those applications which meet a reasonable standard to spread the benefits of the grants budget as widely as possible.

This means the Council is unlikely to award the full amount requested. The level of funding awarded will depend on the quality of applications and the demand for funding. Organisations are expected to use Council funding to lever in additional funds from other sources.

A schedule of grants awarded will be published on the Council's website each year.

Feedback on individual grant applications may be given on request to the organisation concerned. Information on other applications beyond that contained in the schedule will not be shared.

Grant conditions

All grants must be fully spent within the year for which they are allocated and on the costs and activities set out in the grant application.

Very minor changes may be agreed from time to time subject to the funding being used in line with the original application. Any such changes must be applied for to the Council and agreed in writing.

The Council may nominate an elected member to sit on the Board of Trustees of any Major or Housing Grant recipient as an observer and an officer of the Council may also attend the Board of Trustees as an observer from time to time. The purpose of the Council's nominated observers is to ensure that the organisation is reporting information that can be used to ensure the Council is receiving best value for the funding input. The nominated observers may challenge the information provided to the Board of Trustees in order to ensure that this is accurate and relevant.

For audit purposes, records must be kept showing how the grant has been spent, along with any relevant receipts or invoices.

Spending on Major or Housing Grants must be accounted for separately and open to audit by the Council's auditors.

Monitoring and management information must be provided to the Council at the end of each year or quarter (by the end of the following month), depending on the size of the grant, to an agreed format, as evidence that the organisation is delivering the project or services for which grant has been provided and is on track to deliver the agreed outputs. This information is required as part of the Council's auditing process. Any organisation which does not comply with these conditions may be asked to repay the grant money.

Grant will only be paid when monitoring information has been provided in writing for the previous agreed period - annually for Small Grants and quarterly on invoice for Major and Housing Grants.

An officer of the Council may visit the grant recipient from time to time to audit the information sources. The Council may also request a review if it wishes to discuss the project or service development and delivery.

Any grant no longer needed (e.g. where a project is no longer viable or alternative funding has been secured which is adequate to deliver the project or service) must be offered back to the Council. The Grants Task Group will decide how any such funds are re-allocated.

State Aid

1) Background:

a) Article 107(1) of the Treaty on the Functioning of the European Union provides that:

"Save as otherwise provided in this Treaty, any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the common market"

b) The Council recognises that grants awarded from public funds may therefore constitute 'state aid' and, where the grant is to be used to support 'economic activity', are subject to rules under EU Commission Regulation (EU) No. 1407/2013 governing De Minimis aid and The General Block Exemption Regulation (GBER).

c) The council understands that unless the de minimis rule or GBER applies, it is unlawful to implement aid until it has been notified and, in the case where Commission approval is required, approved - even if the aid is in fact compatible.

2) Mitigation:

a) *Prior to making any grant payment, the council will carry out a simple assessment to check whether it is:*

- state aid and;
- if so, whether it is exempt from prior notification under a block exemption. If not, it must be notified.

b) *Council officers will, in consultation with Legal Services where appropriate, complete the State Aid Checklist (based on the 4 characteristics of State aid) below and will require recipients to sign the De Minimis Declaration (also below) confirming that the grant will not breach the relevant de minimis threshold.*

Data Protection

The making of community grants may involve the transfer, receipt or sharing of personal data to, from or between the Council and the grantee. Where this occurs, the parties will consider entering into a data sharing agreement setting out the nature and scope of any personal data processing, and how both parties will ensure that processing is carried out in accordance with data protection legislation, primarily the General Data Protection Regulation (EU 2016/679) and the Data Protection Act 2018.

Any such data sharing agreement may be incorporated within the grant funding agreement or prepared as a discrete document, as appropriate.

Data sharing agreements must be prepared in consultation with the Council's Information Governance Manager or Data Protection Officer.

State Aid Checklist

The four characteristics of State aid:

- 1) State aid is granted through state resources.
- 2) State aid favours certain undertakings, or the production of certain goods.
- 3) State aid distorts competition (or threatens to do so).
- 4) State aid affects trade between member states

State Aid – De Minimis Declaration

Please refer to the State Aid Guidance issued with your application pack (available on-line at [State aid - GOV.UK](http://Stateaid-GOV.UK)).

I declare that the grant offered by the Council will not increase the amount of State Aid which (*name of organisation*) has received or will receive over any three year period and which includes some or all of the Council grant period will not exceed 200,000 euros.

SignedDate
(*to be signed by an authorised officer*)

Position in organisation.....

Company/Organisation (*full Legal Name*).....

Updated December 2018