

**10 June 2021****Agenda Item:8****REPORT OF THE SERVICE DIRECTOR, PLACE AND COMMUNITIES****LOCAL IMPROVEMENT SCHEME – OPTIONS FOR THE FUTURE****Purpose of the Report**

1. To update the Committee on the current position regarding the ending of the Local Improvement Scheme (LIS) for 2018 – 21
2. To outline options for the principles for a future discretionary funding scheme for the Authority.
3. To seek the approval of Committee for three options, to allow the further development of the new schemes to take place,
4. To seek approval for existing LIS Revenue and Capital awards to be extended until March 2022.

**Information****Local Improvement Scheme 2018 – 21**

5. The Committee will recall that the LIS was a Member led funding scheme. The programmes were designed to award funds based on the Council's Strategic Priorities 2017 – 21.
6. The scheme is comprised of 3 different programmes:
  - **Revenue** – this provided funding to voluntary and community groups as a contribution towards the provision of services such as community transport, Citizen's Advice, lunch clubs or befriending support. A maximum of £1.2 million p.a. was approved by Committee and allocated to 126 groups for the 3 period. That funding ends on 30<sup>th</sup> June 2021.
  - **Capital** – this provided up to £1 million p.a. to community groups, including Parish Council's, to support them to make the county a great place to live, work, visit and relax. Example awards include contributions to building or restoration of community spaces, sporting facilities improvements, and signage. Due to the impact of Covid-19, the Committee extended the project completion dates until 31<sup>st</sup> December 2021. Over the 3 years period, this programme has supported 97 projects.
  - **Talented Athletes** - this annual small grants programme supports talented athletes to succeed in their chosen sport – this is a small fund of £21k annually. 275 number of talented athletes have been supported throughout 2018 – 21.

7. During the 3 years of the Scheme, 1,909 applications requesting a total of £18.3m have been received and considered. 1,087 projects and athletes have been awarded a total of £5.4m.
8. The 2018-21 LIS has been well received by communities across Nottinghamshire and has enabled community and voluntary organisations to provide invaluable, unique and much needed services to residents across the county including those most vulnerable.

## **Future Options for Funding**

9. The Voluntary and Community Sector (VCS) across Nottinghamshire has always made a huge contribution to the lives of the people of the County. The Council has a proud tradition of support to the sector.
10. The pandemic brought sharply into focus the importance of, and the critical role of the sector in helping people in crisis in the most difficult of times. The sector stepped up to provide services and support to those residents most vulnerable to pandemic's impacts such as older people, disabled people, those with specific health conditions, the homeless, and those significantly economically disadvantaged.
11. The sector was at the heart of the Local Resilience Forum's Community Support response, and in helping the Council and its partners meet the pandemic responsibilities placed on it by the Government. It is therefore important that the sector is supported in the longer term.
12. Further, whilst voluntary organisations and communities receiving grant funding are reminded not to rely solely the LIS, Covid-19 is highly likely to have created additional operational challenges and pressures.
13. The agreements and associated funding for all organisations in receipt of Revenue Funding terminate at the end of the 3-year period on 30<sup>th</sup> June 2021. Those in receipt of capital funding are required to complete their projects by the 31<sup>st</sup> December 2021.
14. Considering these factors, this report proposes options for the key principles of any future discretionary funding scheme. The options and recommendations have been developed based on the learning and experience from the running of the current Local Improvement Scheme. Further, the options presented all assume:
  - The continuation of a 'Member-led' process in the setting the strategic priorities for any future discretionary funding scheme, and
  - The involvement of elected members with regarding to supporting applications for funding and decision-making.
15. The proposed options for Committee to consider and their merits are outlined in the **Appendix One** to this report. The options presented are:
  - **All Schemes - Option 1** - No scheme to replace any of the 3 existing LIS funding, let the schemes naturally terminate;
  - **Revenue Scheme Options**
    - **Option R1** – introduce a scheme replicating all the features of the current LIS revenue scheme
    - **Option R2** – develop a scheme to commission larger Organisations to deliver core services that meet the Council's Priorities (3-year funding cycle), supported by a small grants rolling fund programme (annual cycle)

- **Option R3** – commission a number of VCS infrastructure organisations to distribute the funding to the wider VCS using their knowledge and understanding

- **Capital Scheme Options**

- **Option C1** - introduce a scheme replicating all the features of the current LIS capital scheme
- **Option C2** – introduce a rolling annual programme of award based on applications made.

- **Talented Athletes Scheme only:**

- **Option T1** - introduce a scheme replicating all the features of the current LIS Talented Athletes scheme
- **Option T2** – expand the criteria of the previous scheme to provide a greater focus to support those more vulnerable athletes with protected characteristics

16. The design and launch of any grant funding programme requires time to establish processes for example designing relevant criteria, developing a communications strategy, taking applications, making awards, monitoring awards, making payments, and designing management information systems.
17. If Committee wishes for the authority to continue with a discretionary grant scheme, this report proposes that any new scheme is put in place to ensure that funding is delivered to applicants from the 1<sup>st</sup> April 2022.
18. In order to allow enough time to promote the new scheme and to make awards, it is proposed that the details of any new proposed scheme and detailed timetable is developed over summer and brought to this Committee for approval in September 2021.
19. In order to limit any issues to the sector from any gap in revenue investment by the Authority, the report proposes that the current revenue funding agreements are all extended on a pro rata basis to March 2022. In practice, this would mean that existing recipients would be provided with 9 months of revenue funding based on the existing annual amounts they have been awarded.
20. It is proposed that no Capital Fund round is run during this financial year, given the delays caused to many of the exiting capital projects due the pandemic, and the fact the deadlines for existing capital projects has been extended to 31<sup>st</sup> December 2021.

## **Other Options Considered**

21. A range of options for discretionary grant funding have been proposed for consideration in **Appendix One**.

## **Reasons for Recommendations**

22. The recommendation builds on good practice and the value of supporting Nottinghamshire's communities through grant funding.

## **Statutory and Policy Implications**

23. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and

the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Financial Implications**

24. £1.69 million has been allocated to the revenue grant funding budget and £500,000 to the capital budget for 2021/22 to finance any scheme.

## **RECOMMENDATIONS**

That the Committee approves:

- 1) The 9-month extension of the existing LIS Revenue Grants on a pro rata basis from 1<sup>st</sup> July 2021 until 31<sup>st</sup> March 2022;
- 2) That no LIS Capital Application and Funding round is run in 2021/22;
- 3) Officers to develop schemes based on Options R2, C2 and T2 of Appendix One with a view to implementation on 1<sup>st</sup> April 2022; and
- 4) That the details of the new schemes should be developed and brought to the September Communities Committee for approval.

**Derek Higton**  
**Service Director, Place and Communities**

**For any enquiries about this report please contact:** Mark Walker, Group Manager, Trading Standards and Communities, 0115 977 2173.

## **Constitutional Comments (CEH 30/04/2021)**

25. The recommendations fall within the delegation to Communities Committee under its terms of reference.

## **Financial Comments (SES 28/04/2021)**

26. The financial implications are set out in paragraph 24 of the report. £1.69 million has been allocated to the revenue grant funding budget and £500,000 to the capital budget for 2021/22 to finance any scheme.

## **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

## **Electoral Division(s) and Member(s) Affected**

- All