

Equality Impact Assessment



Derbyshire County Council Equality Impact Analysis Record Form

Department	Adult Care and Health, Corporate Services and Transformation
Service Area	VCS Grants
Title of policy/ practice/ service of function	Voluntary and Community Sector Grants Funding Review – annual recurring grants
Chair of Analysis Team	Robert Lowe

Stage 1. Prioritising what is being analysed

- a. Why has the policy, practice, service or function been chosen? (rationale)
- b. What if any proposals have been made to alter the policy, service or function?

a. The Voluntary and Community Sector (VCS) in Derbyshire is a large and diverse group of organisations and individuals who play a crucial role supporting local communities and people across Derbyshire.

The Council supports local people and communities in many different ways, including by providing services directly and by commissioning other organisations (including VCS organisations) to provide them, either on its own or in partnership with other key stakeholders. Another way in which the Council supports local people and communities is by providing funding to organisations (usually VCS organisations) by way of grants.

Whilst some voluntary organisations and charities operate effectively without any assistance, the sector includes a number voluntary and community groups that in the past have required varying levels of support in order to establish themselves, grow and

thrive. VCS organisations use a variety of business and delivery models to provide activities and services in a community setting. Some organisations have mixed funding models, some have mixed delivery models and some have both, however some groups exist solely for one purpose and/or rely solely on grant aid to maintain their activity or service provision.

In broad terms, a grant is a gift of funds which is provided by the Council to an organisation, usually to enable it to engage in a specific activity. The activity might involve the provision of goods or services to third parties (such as members of the public or members of a particular group or community). Generally, the recipient of a grant is not under an obligation to provide specific goods or services, although a grant might be subject to conditions, such as a condition which allows the Council to claw back any part of the grant which has not been spent on the specific activity for which it was intended or if the grant has been incorrectly used.

On 28 February 2019, Cabinet approved proposals to undertake a council wide review of VCS grants. It was agreed that the review would consider all grants provided by the Council to VCS organisations in Derbyshire and subsequently develop a coordinated and consistent council wide approach to allocate future resources.

The review identified 62 specific recurring grants which are awarded on an annual basis to a range of VCS organisations. The Council acknowledged that these 62 grants had not been subject to review, despite funding being allocated over many years and the Council considered whether the practice of making recurring grants should continue and, if not, what it should do instead – such as commissioning.

On 6 December 2021 Cabinet approved the following:

- Approve consultation on a proposal that the Council adopt the principle of no longer supporting the award of grant funding to any organisation in the future without a fixed or scheduled end date (save for in exceptional circumstances).
- Approve consultation on a proposed process for reviewing existing recurring grants.

It was also recommended and agreed a single consultation exercise would be conducted, to be a period of 12 weeks. Cabinet would then receive a further report on the outcome of the consultation and recommendations for the final approach moving forward.

b. At this stage of the review process, the Council is taking forward two related proposals:

1. The first proposal was that the Council would stop making recurring grants, and that all grants would have a specific end date. All organisations which are currently in receipt of a recurring grant would be given a specific date on which that grant will end.

2. The second proposal relates to what should happen if the first proposal was adopted. The Council would no longer provide grant funding for the activities to which the

recurring grants currently relate, but instead it would decide whether it should commission each activity.

c. What is the purpose of the policy, practice, service or function?

Proposal 1:

Many recurring grants to voluntary and community sector organisations have been extended year-on-year for significant periods of time without review or any other reconsideration of whether funding should continue to be provided. In some cases, grants have not been reviewed at all, despite funding having been provided over many years.

This means that the Council cannot be confident that the reasons for awarding the recurring grant in the first place remain valid, or that the grants are being put to good use, and as a result it means that the Council cannot be confident that public money is being well-spent.

This proposal would allow the Council regularly to review the funding it provides by way of grants and would ensure that:

- funding continues to meet the ambitions and priorities of the Council and any emerging community needs,
- funding could be allocated to new organisations and new activities where appropriate, and
- the activities funded by grants could be commissioned where appropriate.

And;

Proposal 2:

Where the Council is subject to a duty to provide a service, it must ensure the service is provided in accordance with that duty. Commissioning an activity would enable the Council to ensure that the commissioned organisation is contractually bound to undertake it in a way that ensures that the Council's duties are complied with.

The Council also proposes to commission activities which meet its strategic aims in a fair and cost-effective manner. The Council considers that commissioning such activities would provide the commissioned organisation with a more stable platform on which to grow and enhance its activities, thereby helping to contribute to the Council's strategic aims.

d. Will the proposals lead to changes in staffing resources/ the organisation of staffing? If Yes, please outline.

At this time the implications for staffing resources of the VCS organisations is not clear. VCS organisations currently funded by the Council as part of this report are independent of the County Council. It is not expected that this review will lead to any direct staffing changes at the Council.

Stage 2. The team carrying out the analysis

Name	Area of expertise/ role
(Chair) Robert Lowe	Policy Manager
Claire Burnage	Project Manager
Jodie Harrison	Policy Officer
Ann Wright	Head of Arts
Gill Quayle	Service Development Officer
Gill Clarke	Project Manager, 50+ Forum
John Cowings	Senior Policy Officer

Stage 3. The scope of the analysis – what it covers

A significant amount of work was completed to prepare for the grants review, establishing baseline data on current awards, developing a shared understanding of the funding VCS landscape across the Council, and agreeing a way forward.

A cross Council VCS Review Programme Board was formed in 2018 to support the development of the approach and more recently a corporate Council Grants Board established to shape and support the work of the review, including an officer sub-group which reports to the Board. Holding regular meetings and following a consistent approach and methodology to develop a shared and consistent approach across the Council, which in turn supports a fair and clear process.

Shared assessment criteria, templates, communications materials, and consultation plans were developed to support review officers to achieve a systematic approach to all grant reviews that are taking place.

Analysis was completed through a range of methods and techniques:

- Council grant funding database of current awards
- Current and previous monitoring reports
- Adult Care annual surveys
- Beyond Covid 19 VCS survey and event
- Ongoing discussions with VCS infrastructure providers
- Organisations annual accounts
- Discussions with other key stakeholders
- Engagement meetings with current grant recipients

The Derbyshire Compact outlines the Council's obligations to undertake 12 weeks consultation on any proposals which would result in changes to funding arrangements for VCS organisations. Given that both proposals could lead to changes which might impact a number of VCS organisations there was a clear requirement to consult all interested stakeholders and the general public about the proposals and to analyse responses before any decision could be made by the Council in relation to each proposal.

Assessments of all existing recurring grants was undertaken, to provide an indication of whether it was anticipated that the relevant activities are or are not likely to be commissioned in the future, based on currently available information.

These assessments were indicative only and it was outlined at the time that assessment may be subject to change following feedback from the consultation and the receipt of further information. However, based on the indicative assessment process, 44 of the 62 existing recurring grants were assessed as relating to activities that are likely to be commissioned. The remaining 18 grants were assessed as relating to activities that are unlikely to be commissioned. If that were the case, it is likely that the funding currently provided to the organisations who are in receipt of those 18 recurring grants would cease. This gave affected organisations an understanding of the likely impact of the proposals if taken forward, to support consultation.

The consultation period lasted 13 weeks, between 22 December 2021 and 23 March 2022. The purpose of the consultation was to:

- Gain an understanding of support for the VCS Review approach proposals from relevant stakeholders.
- Enable stakeholders to understand the potential impact of the principle of no longer support the award of grant funding to any organisation in the future without a fixed or scheduled end date and where appropriate offer a viable alternative
- Enable stakeholders to comment on the assessment criteria and where appropriate, offer a viable alternative
- Enable stakeholders to outline how proposals will impact on residents.

During the period, consultations took place with current grant recipients, key stakeholders and partners. All current recurring grant recipients were also contacted and offered one-to-one meetings and a publicly available questionnaire was published online and made available in paper format.

Information was then collected, collated and presented as report which summarised the views and opinions submitted by respondents during the consultation period. This was then shared with relevant stakeholders and used to inform the thinking of the project team. The feedback from this Report been used to inform this Equality Impact Assessment, which has been updated to include and reflect relevant feedback and analysis.

Stage 4. Data and consultation feedback

a. Sources of data and consultation used

Source	Reason for using
Current Funding Data	Database shows all current funding allocated and how the grant is used

Source	Reason for using
Grant monitoring information	Provides an overview of the current service offer and clients supported. This also gives an overview of the current impact of COVID19 on the organisations
Websites	Some organisations have websites that give an overview of the service and the criteria of clients using the service.
Companies House and/or Charities Commission	Provides an overview of the service and access to online accounts
Council Plan	To align to the Council priorities
Adult Care Service Plan	To align to Adult Care outcomes
Informal engagement	Organisations have been contacted during the COVID19 pandemic to understand the impact on the service, to give support and advise where necessary.
Consultation	The residents of Derbyshire, voluntary sector organisations and partner organisations were invited to take part in an online survey. Paper copies and an easy read version of the survey were made available upon request. This contained a total of 274 responses.

Stage 5. Analysing the impact or effects

a. What does the data tell you?

Protected Group	Findings
Age	<p>It is understood that only a small number of groups fall under the first category and most if not all groups which</p> <p>Monitoring and informal engagement indicates that many of the organisations receiving a grant include those that work to support older people.</p> <p>Some of the groups do not have an age restriction and cover from 18 years and over.</p> <p>Current monitoring does not include the age range of the clients and therefore there aren't specific number of residents who would be affected by proposals.</p> <p>It is therefore not clear at this time the implications for VCS organisations and their clients, and there was a need to ensure that any potential impacts can be ascertained through the consultation, if applicable.</p> <p>A significant number of older people benefit from the organisations currently receiving a grant, especially those who are more vulnerable. It is expected that the groups for</p>

	<p>the vulnerable will still form a substantial proportion of people supported/ groups funded.</p> <p>A limited number of younger people benefit from the organisations currently receiving a grant, in particular those that are more vulnerable e.g. learning disability. Whilst this approach may mean some changes to the way these organisations are funded, it is anticipated that as a group, those younger people with a disability will still be supported. Proposals outline that commissioning arrangements or grant redesign in the future could increase the impact of funding and what organisation deliver moving forward, therefore older people could benefit from the changes outlined in the new approach.</p>
Disability	<p>Monitoring and informal engagement indicates that a limited number of organisations receiving a grant include those that work to support those living with a learning disability.</p> <p>There are two groups specifically targeted at people with learning disabilities. Whilst this approach may mean some changes to the way these organisations are funded, support for people with disabilities will still form a substantial proportion of people supported/ groups funded.</p> <p>There is one group that specifically targets people with a physical disability for example if they have suffered a stroke and affected their motor skills. Whilst this approach may mean some changes to the way these organisations are funded, the proposals are not expected to have a negative impact on these groups and their beneficiaries.</p> <p>Other groups may have some members with a learning disability, physical disability, sensory impairment or dementia but current monitoring does not indicate how many of their members with a disability attend. These organisations are open to all older people and will adapt to ensure inclusivity, accommodating an individual's needs. Some of these groups may be negatively impacted by the proposals and will need supporting through any transition.</p>
Gender (Sex)	<p>Current monitoring does not include the gender of the clients and therefore we don't have specific number of residents who would be affected by proposals.</p> <p>Monitoring and informal engagement indicates that all of the organisations receiving a grant are inclusive to all gender.</p>

	<p>No funded organisations target their service or support to a particular gender. Gender is therefore not seen as a determining factor in the allocation of grant funding.</p> <p>The redesign of any funding award will mean changes to monitoring practices and can consider how those receiving funding can better understand who uses and does not use their services/ support.</p>
Gender reassignment	<p>At present most organisations receiving funding do not specifically monitor their service users on grounds of gender re-assignment which in turn means that data on the impact on the Trans community is not well understood.</p> <p>The redesign of any funding award will mean changes to monitoring practices and can consider how those receiving funding can better understand who uses and does not use their services/ support.</p>
Marriage and civil partnership	<p>At present most organisations receiving funding do not specifically monitor their service users on grounds of marital status.</p> <p>The redesign of any funding award will mean changes to monitoring practices and can consider how those receiving funding can better understand who uses and does not use their services/ support.</p> <p>It is expected that there is minimal impact for this protected characteristic.</p>
Pregnancy and maternity	<p>Current monitoring and informal engagement does not include pregnancy and maternity data but we do know that there are no groups that specifically target this protected characteristic</p> <p>The redesign of any funding award will mean changes to monitoring practices and can consider how those receiving funding can better understand who uses and does not use their services/ support.</p> <p>The proposals are expected to have minimal impact of this group of people.</p>
Race	<p>Currently monitoring does not identify whether groups are Black or ethnic minority organised groups or not.</p> <p>A small number of grants are allocated to support work within Black and Ethnic Minority communities or by groups from these communities. It is therefore believed that some</p>

	<p>funding has a positive impact on race equality within Derbyshire.</p> <p>The BME Forum provides support to some BME and faith based community groups. The forum is used to disseminate information to members of these communities and encourage them to engage with the Council on a number of issues.</p> <p>It should be noted that Christian and Jewish groups are not specifically represented within the BME Forum</p> <p>Whilst this approach may mean some changes to the way these organisations are funded, the proposals are not expected to have a disproportionate or unfair impact on these groups and their beneficiaries.</p>
<p>Religion and belief including non-belief</p>	<p>This is not known to be a significant issue. Current monitoring does not include religion data.</p> <p>Some communities in Derbyshire identify both by their religion and their ethnicity. To support the largest BME population within the county, two Muslim groups receive grants. Although membership of these groups is open only to Muslim residents, the funding provided by the Council is for non-religious community activity.</p> <p>The BME Forum provides support to BME and faith based community groups. The forum is used to disseminate information to members of these communities and encourage them to engage with the Council on a number of issues.</p> <p>Whilst this approach may mean some changes to the way these organisations are funded, the proposals are not expected to have a negative impact on these groups and their beneficiaries.</p>
<p>Sexual orientation</p>	<p>This is not known to be a significant issue. Current monitoring does not include sexual orientation data</p> <p>The Council does not specifically fund any organisations working solely with the LGBQ+ community although district and borough based umbrella groups are required to provide support across all communities, including any organisations working with or for LGBQ+ people. Derbyshire LGBTQ+ works across Derbyshire as well as Derby City and dependent upon the service, this group could seek to bid for funding under the new approach.</p>

Other

Socio-economic	<p>Monitoring and informal engagement does not give an indication of the impact on socio economic groups.</p> <p>The VCS often disproportionality provide support to low income residents, those who are unemployed and in areas of relative deprivation.</p> <p>There is one group that targets people experiencing poverty and financial hardship but the grant is not awarded for this purpose. Therefore, it is expected that the proposals could have a significant impact on this organisation.</p> <p>Further data is required through consultation to ascertain how many groups are specifically working with those experiencing poverty and exclusion, if applicable.</p>
Rural	<p>Monitoring and informal engagement does not give an indication of the impact on rurality.</p> <p>There is a link between rurality, isolation and low income, meaning that beneficiaries in these areas could be negatively impacted or would be disproportionately impacted if proposals mean funding to their organisations was reduced.</p> <p>Further data is required through consultation to ascertain how many groups are specifically working with those in rural areas who are at risk from isolation, if applicable.</p>
Employees of the Council	<p>It is likely that as members of communities, some of our employees could benefit from or be involved as volunteers with some of the organisations which are presently funded.</p> <p>It is not expected that any employees of the Council will be directly impacted by this proposal.</p>

- b. What does customer feedback, complaints or discussions with stakeholder groups tell you about the impact of the policy, practice, service or function on the protected characteristic groups?

Protected Group	Findings
Age	Respondents to the public consultation on proposals indicated that this protected group would negatively or

	<p>disproportionately impacted under the proposals – if proposals resulted in a reduction in funding to their organisation or the organisations to which they were a beneficiary.</p> <p>63/274 consultation responses stated the elderly would be affected by the proposals.</p> <p>26/274 consultation responses stated the proposals would affect the young vulnerable.</p> <p>12/274 consultation response stating the proposals would affect all ages</p> <p>7/274 consultation response stating it would affect ‘everyone’</p> <p>Of these responses 22 groups currently in receipt of a grant said that their provision directly or indirectly related to this protected group and this proposal would impact on their beneficiaries. Monitoring information provided by these specific groups means it is possible that 2521 of residents could be affected.</p> <p>Organisations whose provision would be affected, indicated that they this would mean: [deleted as applicable]</p> <ul style="list-style-type: none"> • 7 said their provision would be reduced • 2 said their provision would be more expensive • 18 said provision would end • 4 said it would affect other provision. <p>Respondents indicated that this was because many older residents rely upon services for carrying out routine daily activities such as shopping services, transport to medical appointments and befriending.</p> <p>Feedback indicated that many respondents believed that any decrease in these services, in areas that would see a reduction in current funding levels, could result in increased social isolation, significantly affect people’s wellbeing and consequently increase pressure on services provided by partner organisations.</p> <p>A smaller number of respondents were also concerned that young people would be negatively impacted by the proposal, particularly young disable people or those from low income households.</p>
Disability	Respondents to the public consultation on proposals indicated that this protected group would negatively or

	<p>disproportionately impacted under the proposals – if proposals resulted in a reduction in funding to their organisation or the organisations to which they were a beneficiary.</p> <p>32/274 consultation responses stated that there would be an impact on people living with a disability.</p> <p>7/274 consultation response stating it would affect ‘everyone’.</p> <p>Of these responses 13 groups currently in receipt of a grant said that their provision directly or indirectly related to this protected group and this proposal would impact on their beneficiaries. Monitoring information provided by these specific groups means it is possible that 860 residents could be affected.</p> <p>Organisations whose provision would be affected, indicated that they this would mean: [deleted as applicable]</p> <ul style="list-style-type: none"> • 5 said their provision would be reduced • 1 said their provision would be more expensive • 8 said provision would end • 2 said it would affect other provision. <p>Respondents indicated that people with disabilities, particularly mobility issues, dementia and mental health issues, would be negatively impacted by the proposal if it resulted in a reduction in services such as transport to medical appointments, shopping assistance or befriending.</p> <p>There was also concern particularly those that currently use certain groups, about the ability of this support to continue if funding was reduced. Groups to support people with disabilities were described as important for the mental and physical wellbeing of their users.</p>
Gender (Sex)	<p>Respondents to the public consultation on proposals did not indicate a significant issue on this protected group in relation to current grant recipients.</p> <p>1/274 consultation responses stated they worked specifically with this protected characteristic - it worked only with women with a disability.</p> <p>This group is not a current recurring grant recipient so will not be adversely affected by the proposals, and depending on the service may be able to bid for funding under the new approach.</p>

Gender reassignment	<p>Respondents to the public consultation on proposals did not indicate a significant issue/impact in relation to current grant recipients on this protected group.</p> <p>This group may not have been represented in the consultation due to the relative small numbers of people and the lack of county based support organisations.</p> <p>0/274 consultation responses stated they worked specifically with this protected characteristic.</p>
Marriage and civil partnership	<p>Respondents to the public consultation on proposals did not indicate a significant issue on this protected group in relation to current grant recipients.</p> <p>0/274 consultation responses stated they worked specifically with this protected characteristic.</p>
Pregnancy and maternity	<p>Respondents to the public consultation on proposals did not indicate a significant issue on this protected group in relation to current grant recipients.</p> <p>0/274 consultation responses stated that they worked with this protected characteristic.</p>
Race	<p>Respondents to the public consultation on proposals did not indicate a significant issue/impact on this protected characteristic in relation to current grant recipients and their beneficiaries.</p> <p>6/274 consultation responses stated that there would be an impact on people from this group.</p> <p>1/274 responses mentioned culture.</p> <p>Of these responses 5 groups currently in receipt of a grant said that their provision directly or indirectly related to this protected group and this proposal would impact on their beneficiaries. Monitoring information provided by these specific groups means it is possible that 290 residents could be affected.</p> <p>Organisations whose provision would be affected, indicated that they this would mean:</p> <ul style="list-style-type: none"> • 4 said their provision would be reduced • 0 said their provision would be more expensive • 2 said provision would end • 0 said it would affect other provision. <p>One respondent, was concerned of the detrimental effect on the African Caribbean community in particular, if culturally appropriate activities lose their funding through the proposal.</p>

Religion and belief including non-belief	<p>Respondents to the public consultation on proposals did not indicate a significant issue/impact on this protected group in relation to current grant recipients and their beneficiaries.</p> <p>0/274 consultation responses stated they worked with individuals with a religious or non-religious belief.</p>
Sexual orientation	<p>Respondents to the public consultation on proposals did not indicate a significant issue/impact on this protected group in relation to current grant recipients and their beneficiaries.</p> <p>0/274 consultation responses stated they worked with LGBTQ+ community</p>

Other

Socio-economic	<p>Low income individuals and families and the homeless were identified by respondents in the consultation as a group that would be negatively impacted by the proposals – if proposals resulted in a reduction in funding to their organisation or the organisations to which they were a beneficiary.</p> <p>Respondents suggested that if grants supporting activities within particular localities were reduced, that these groups would be disproportionately impacted.</p> <p>23/274 consultation responses said they worked in areas of deprivation and with people on low income. and 7/274 consultation response stating it would affect ‘everyone’</p>
Rural	<p>Consultation respondents across all groups identified rurality as a significant issue when delivering services.</p> <p>21/274 responses stated that they worked in rural communities.</p> <p>39/274 stating they worked with socially isolated-which does not necessarily mean these individuals live in rural locations.</p> <p>7/274 consultation response stating it would affect ‘everyone’.</p> <p>Of these responses 7 groups currently in receipt of a grant said that their provision directly or indirectly related to this protected group and this proposal would impact on their beneficiaries. Monitoring information provided by these specific groups means it is possible that 844 residents could be affected.</p>

	<p>Organisations whose provision would be affected, indicated that they this would mean: [deleted as applicable]</p> <ul style="list-style-type: none"> • 3 said their provision would be reduced • 1 said their provision would be more expensive • 7 said provision would end • 3 said it would affect other provision. <p>Residents also indicated that rurality, particularly in its links to isolation, meant that service users in these areas could be negatively impacted by the proposals – if proposals resulted in a reduction in funding to their organisation or the organisations to which they were a beneficiary.</p>
Employees of the Council	<p>Respondents to the public consultation on proposals did not indicate a significant issue/impact on this group in relation to current grant recipients and their beneficiaries.</p> <p>0/274 Council employees responded to the consultation.</p>

c. Are there any other groups of people who may experience an adverse impact because of the proposals to change a policy or service who are not listed above?

<p>It is not anticipated that any groups, cohorts or communities of people, over and above the ones listed, may experience an adverse impact because of the proposals.</p> <p>51 respondents including responses from 14 currently funded groups commented about the disproportionate and potentially unfair impact on ‘vulnerable members of our community’.</p> <p>18 groups currently in receipt of a grant commented that their organisation provides support to ‘vulnerable groups’. It was also highlighted that volunteers are generally of retirement age and they also benefit socially, for their mental health and wellbeing, in being involved with these groups.</p> <p>The Covid-19 pandemic, was also mentioned with two respondents suggesting that the sector was still recovering from the impact.</p>
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d. Gaps in data

What are your main gaps in information and understanding of the impact of your policy and services? Please indicate whether you have identified ways of filling these gaps.

Gaps in data	Action to deal with this
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<p>Fully understanding the potential impact on protected groups</p>	<p>Specific questions were asked in the public consultation to ascertain whether protected groups would be impacted by proposals, however not all protected groups were mentioned in responses.</p> <p>Respondents to the public consultation on proposals indicated that only a few protected groups would negatively or disproportionately impacted under the proposals – if proposals resulted in a reduction in funding to their organisation or the organisations to which they were a beneficiary.</p> <p>It is difficult to know whether this is a true reflection of the impact or whether the impact is unknown at this stage.</p> <p>Is important that as the review proposals are implemented and more is known on the future funding of individual organisations, impacts on specific groups can be understood.</p> <p>Respondents did raise a number of issues which, whilst related to their own grant funding arrangements, did not relate specifically to the proposals outlined in the consultation. These issues have been noted and the Council will ensure these are dealt with appropriately during the further stages of the review where possible</p>
<p>The needs of the community</p>	<p>Where it is proposed that funding awards will be redesigned moving forward, further work is needed to understand the resident or community need to ensure that any future commissioned services meet those needs.</p>
<p>The impact of COVID19 on the needs of the sector</p>	<p>Work is ongoing, through the Community Response Forum, to discuss this impact and support and advise organisations when necessary.</p>
<p>The impact of COVID19 on the needs of the client base of specific groups that is likely to contact a significant proportion of people covered by the Equality Act 2010 such as BME, disabled, women LGBTQ+ etc</p>	<p>Further work is required, through the redesign of any funding award to support more comprehensive monitoring practices which considers how those receiving funding can better understand who uses and does not use their services/ support.</p>

Stage 6. Ways of mitigating unlawful prohibited conduct or unwanted adverse impact, or to promote improved equality of opportunity or good relations

With any change, it is anticipated that regardless of the outcome, there will be a level of anxiety experienced by the review and recommissioning of funding, especially as some of these groups have been long standing and provide activities to vulnerable groups.

A preliminary assessment of all existing recurring grants was undertaken, to provide an indication of whether it was anticipated that the relevant activities are or are not likely to be commissioned in the future, based on currently available information.

These assessments were indicative only and it was outlined at the time that assessment may be subject to change following feedback from the consultation and the receipt of further information. However, based on the indicative assessment process, 44 of the 62 existing recurring grants were assessed as relating to activities that are likely to be commissioned. The remaining 18 grants were assessed as relating to activities that are unlikely to be commissioned. If that were the case, it is likely that the funding currently provided to the organisations who are in receipt of those 18 recurring grants would cease.

If proposals are taken forward the Council will work closely with organisations ensure that plans and timeframes are clear and transitions can be managed as effectively as possible.

Following assessment outcomes and subsequent notification, it is recommended that there will be a period of representation. This will allow grant recipients to outline their position regarding the assessment and outcome of individual grants and the proposed individual plan, before a final decision is made.

As it is proposed all recurring grant funding would end, review and exit plans form a vital part of how this is practically achieved. Individual plans will be designed in discussion with the relevant organisation to manage the potential loss of grant funding or for the preparation for commissioning arrangements.

Following consultation, if it is agreed that a grant is redesigned and commissioned, the organisation in receipt of the grant would be issued a commissioning plan or a redesign plan if part of a thematic redesign. This will identify an officer who will implement the plan with a timeframe by which it will be completed. Grant funding will be secured for that organisation until the plan is completed.

Where there is an expected loss of grant funding, exit plans could identify alternative sources of grant funding in order to continue a project's activity, developing an alternative business model, or in some exceptional circumstance the winding down a project's activities as sensitively as possible in order not to adversely impact on any staff or clients.

An exit plan would consist of the length of time grant funding would be secured for, to allow the organisation to implement alternative arrangements. It may also identify what

support an organisation would be eligible to receive, to apply for new sources of funding or manage any consequences resulting from a loss of funding.

Stage 7. Do stakeholders agree with your findings and proposed response?

A thirteen-week consultation period on proposals commenced on 23 December 2021 and closed on 23 March 2022. The agreed timetable for the review was for Cabinet to approve agreed proposals in May 2022 and the new approach being in place by the end of December 2022.

More than 270 consultation responses were received. This was from a mix of both online responses to the consultation questionnaire and written submissions, primarily from the arts organisations who wished to make further representation.

Respondents:

Key stakeholders included:

- Current recurring grant recipients
- District and borough councils
- MP's
- Infrastructure providers on behalf of their members
- A range of small VCS organisations
- A range of medium and large VCS organisations.

116 residents completed the questionnaire, this included:

- Service users
- Volunteers
- Those with caring responsibilities.

134 VCS sector organisations also completed the questionnaire, this included:

- Community groups
- Charities
- Voluntary organisations providing community services.

Headline information:

- 42% strongly agreed or agreed with proposal one, to no longer award grant funding without a scheduled end date (36% disagreed or strongly disagreed)
- 49% of respondents strongly agreed or agreed with the Council's proposal one, to specify an end date for each existing recurring grant (33% disagreed or strongly disagreed)
- Agreement that criterion one should be used to assess recurring grant activity was divided, with 37% of respondents strongly agreeing or agreeing and 36% disagreeing or strongly disagreeing
- 66% of respondents strongly agreed or agreed that criterion two should be used to assess recurring grant activity (14% disagreed or strongly disagreed)

- 61% of respondents disagreed or strongly disagreed with the proposal that if the Council were to decide not to commission an activity to which an existing recurring grant relates, the Council would no longer provide grant funding for that activity (18% strongly agreed or agreed)

Analysis

Generally, responses to the consultation were wide-ranging and varied, and support for the proposals outlined in the consultation was mixed across all groups of respondents.

Comments received as part of the consultation revealed a number of common issues for those who are likely to be affected by the implementation of proposals, these have been presented thematically as follows:

Impact of changes to how activity and outcomes is commissioned (by grant or contract)

- VCS organisations agreed that a longer-term commitment in funding from the Council would increase the stability of their organisations, improve staff retention and make it easier to secure additional funding.
- Residents and partners also generally agreed that a longer-term funding arrangement was a positive step for all involved.
- There was a mixed response to contracting, stating contracts are less flexible and the voluntary sector does not have the capacity for application processes. It was suggested that longer term grants with set review periods and monitoring would be preferred.

Impact on service delivery

- The most significant concern across all groups was the risk of losing the services currently delivered if funding was reduced
- Respondents highlighted that a reduction in these services would likely lead to increased pressure on Health and Social Care
- There was widespread agreement that if services were to be reduced as a result of reductions in funding, vulnerable people would be most likely to be disadvantaged. Within this group, elderly and disabled people and those with mental health issues would be most at risk.

The impact of Covid-19

- Several groups commented that the pandemic had highlighted the importance of the activities and support provided by the VCS and that demand for services had increased significantly and remained at a high level
- There was also concern about how any changes to current funding arrangements might impact on vulnerable people who rely on support offered by groups during the recovery from the pandemic.

Specific Comments

- The Council also received a number of very specific comments about elements of the proposal, specific concerns or specific comments on organisations through the consultation. Although too numerous to list in this report, all comments have been considered and where appropriate, will be responded to accordingly.

Stage 8. Main conclusions and recommendations

The two proposals means that every organisation currently receiving grant funding from the Council would experience a change in the future.

These proposals would allow the Council regularly to review the funding it provides by way of grants and would ensure that:

- funding continues to meet the ambitions and priorities of the Council and any emerging community needs,
- funding could be allocated to new organisations and new activities where appropriate, and
- the activities funded by grants could be commissioned where appropriate.

If grants are commissioned in the future, the Council believes that this would give the organisation in receipt of this funding a more stable funding platform by which to grow and enhance their offer towards the intended outcomes. Contracts would be reviewed regularly to ensure that they continue to meet the Council's strategic aims and that they remain fit for purpose.

The main concerns and challenge to proposals was provided by current grant recipients and their beneficiaries where it was indicated that under proposals their funding may be withdrawn. Where it was indicated funding was likely to be commissioned, smaller and less experienced organisations were equally concerned that they may struggle to compete and lose out as a result.

If funding is withdrawn, then there could be a specific impact on the individual beneficiaries if a loss of funding impacts on whether activities are continued to be provided. The redesign of any funding award will also mean changes to monitoring practices and can consider how those receiving funding can better understand who uses and does not use their services/ support.

With any change, it is anticipated that regardless of the outcome, there will be a level of anxiety experienced by the review and recommissioning of funding, especially as some of these groups have been long standing and provide activities to vulnerable groups.

VCS organisations use a variety of business and delivery models to provide activities and services in a community setting. Some organisations have mixed funding models, some have mixed delivery models and some have both, however some groups exist solely for one purpose and/or rely solely on grant aid to maintain their activity or service provision.

Many of the organisations provide activities which relate to protected groups in three different ways:

- The organisation is designed specifically to fulfil duties regarding this protected group
- The organisation was created to target groups of residents

- The organisations activities appeal to a particular group.

The consultation specifically asked for respondents to outline the impact of proposals on specific communities or groups and respondents to the public consultation on proposals indicated that only a few protected groups would negatively or disproportionately impacted under the proposals – if proposals resulted in a reduction in funding to their organisation or the organisations to which they were a beneficiary. Beneficiaries in this context is a complex mix of individuals, some of whom are direct service users in relation to some grants, whilst other beneficiaries are simply individuals who engage with the organisation, its provision or activities which a grant supports.

The main groups who it was indicated would be impacted by proposals were:

- Older residents
- Those with a disability
- Those living in rural areas
- Those with low incomes.

Of these responses 26 groups said that their provision directly or indirectly related to a protected group and proposals would impact on their beneficiaries.

Organisations whose provision would be affected, indicated that they this would mean: [deleted as applicable]

- 9 said their provision would be reduced
- 2 said their provision would be more expensive
- 18 said provision would end
- 3 said it would affect other provision.

The impact of which would be:

- Increased risk of social isolation
- Decrease in access to support, care and medical appointments
- Increased difficulty in carrying out routine daily activities
- Poorer mental and physical wellbeing
- Increased pressure on services provided by partner organisations.

Is important that as the review proposals are implemented and more is known on the future funding of individual organisations, impacts on specific groups can be understood.

The Council has considered all responses to the consultation. Whilst support for proposals was mixed, it is acknowledged that the majority of respondents were concerned about proposals resulting in changes to current funding arrangements. The Council must balance this against the need to deliver a new grant funding approach for the whole sector and secure improved outcomes for Derbyshire which reflect the level of investment whilst having a cost effective and coordinated approach for the future.

From this perspective, there have been no outstanding or fundamental insights gathered through the consultation which the Council had not anticipated. The consultation responses also have not identified any other viable options the Council had not considered.

It is therefore recommended that proposals are taken forward as outlined.

Stage 9. Objectives setting/ implementation

Objective	Planned action	Who	When	How will this be monitored?
Ensure groups can outline the impact on protected groups	Following assessment outcomes and subsequent notification, it is recommended that there will be a period of representation. This will allow grant recipients to outline their position regarding the assessment and outcome of individual grants and the proposed individual plan, before a final decision is made.	Lead Review Officers	July 2022	DCC Grants Board
Future funded activities reflect need	Where funding has been assessed as to be commissioned in the future, an appraisal will be completed for each grant or thematic redesign area, to ascertain the most appropriate option to achieve desired outcomes.	Lead Review Officers	When applicable	DCC Grants Board
Monitoring practices can collect data which supports understanding of equalities issues	The redesign of any funding award will mean changes to monitoring practices and can consider how those receiving funding can better understand who uses and does not use their services/ support.	Lead Review Officers	When applicable	DCC Grants Board

Stage 10. Monitoring and review/ mainstreaming into business plans

Please indicate whether any of your objectives have been added to service or business plans and your arrangements for monitoring and reviewing progress/ future impact?

The review of recurring grants is one part of a comprehensive council-wide review of funding to the VCS.

Objectives relating to both the wider review and the recurring grants are objectives contained within the Council Plan and departmental services plans. Performance monitoring for this work is reported every quarter to Cabinet

The Council has established a cross-departmental Grants Board, tasked with supporting the review and shaping the new approach to grant funding across the authority – including mainstreaming agreed and shared policies, practices and processes to grant funding.

Work is taking place to complete the wider review and makes recommendations to on the future role of the board.

Stage 11. Agreeing and publishing the completed analysis

Completed analysis approved by _____ on _____

Where and when published?

Decision-making processes

Where linked to decision on proposals to change, reduce or withdraw service/ financial decisions/ large-scale staffing restructures

Attached to report (title): Voluntary and Community Sector Review

Date of report: 16 June 2022

Author of report: Robert Lowe

Audience for report e.g. Cabinet/ date: Cabinet 16 June 2022

Web location of report: NA

Outcome from report being considered

Details of follow-up action or monitoring of actions/ decision undertaken

Updated by: Robert Lowe

Date: 01.06.22