



Title: TGHC Community Fund Proposal

Report of: Managing Director

Introduction

1. This report provides the Board with an overview of the work carried out to date through the Gateshead Housing Company Community Fund and provides recommendations for the future direction of the fund.

Background

2. The Gateshead Housing Company's Community Fund was set up in 2007 by the Company and its strategic partners (originally FHM, Morrison's and the Councils Local Environmental Services – FHM and Morrison's have since been replaced by MEARS).
3. The fund was established to give grants (in cash or in kind) to projects or schemes that met its original criteria. Primarily the fund was linked to the decent homes programme and encouraged partners to contribute an element of their decent homes income back into the community.

Fund Process

4. Grants between £500 to £5,000 can be made. The fund is administered by the Community Foundation for which an administrative charge is made (£8,500 for this financial year).
5. Each of the partners have pledged support in money and / or work 'in kind' on an annual basis. Applications for support are considered by representatives from each of the partner organisations at a panel meeting three times a year.
6. Currently the company is represented by the Chair, Managing Director, member of the Board, Involvement Manager and Communications Manager. There are also representatives from each partner organisation.
7. The funds financial year runs from April to March, with donations into the fund as follows:

Cash Donations for 2013/14

TGHC:	£25,000
Mears:	£12,500
Total:	£37,500

In-Kind Donations for 2013/14

Mears:	£12,500
LES:	£25,000
Total:	£37,500

Fund Criteria

8. There are three broad fund themes:

- Supporting people to overcome disadvantage
- Creating stronger communities
- Making the area a good place to live

With resources being used for the following activities:

- Providing services and activities that work.
- To help groups provide new services or expand or maintain existing services, but with an emphasis on the quality and effectiveness of what is provided.
- Creating stronger organisations to help organisations grow by supporting the organisational development costs as distinct from the cost of services and to strengthen the operation of the voluntary and community sector.

9. Grants of between £500 and £5,000 are available as either cash, in-kind or a combination of both.

10. The Community Foundation's usual grant making criteria will apply along with the following -

- Individuals will not be eligible to apply, only groups.
- One third of any group should be TGHC tenants – to be specified on the application form, checked at assessment stage.
- Salaries and core costs will be funded as part of core cost recovery.
- Grants will not be awarded to replace any local authority funding, however grants can be awarded to improve a local authority owned venue over and above what the local authority will do.
- Grants will not be awarded for on-going running costs or projects that are likely to require on-going support.
- Applicants need to assure us of ownership of a project once it has been completed (i.e. – a garden or play area).
- Groups can receive no more than one grant per year but can apply each year if required.
- Match funding – TGHC would prefer groups to raise some of the funding themselves. Conditional grants can be awarded with payment released once group provide evidence that match funding has been secured.

Emerging issues and proposed solutions

11. The number of applications to the fund has increased from an average of 10 in 2011/12 to 20 at the most recent meeting. There is an increased demand for the same pot of funding.
12. Gateshead Council is undergoing the asset transfer of a number of community centres to the committee of these centres, or another charitable organisation. Applications from community centres now face increased scrutiny as to the future of the centre, the capacity of the committee, and its level of unrestricted funds.

It is proposed that the fund can encourage applications from such groups to support the asset transfer process.

13. In recent meetings the panel has shown great reluctance to fund grass / pitch maintenance equipment due to cuts in funding for such activities. If the fund does not wish to support grass maintenance equipment then this needs to be made public to applicants.

It is proposed that the fund explicitly excludes such bids in the future.

14. The panel has made a decision not to fund sports kit as it is not seen to have a long term impact. As above, this needs to be made public to applicants.

It is proposed that the fund explicitly excludes such bids in the future.

15. An increasing number of applications are for on-going running costs of an organisation, including salaries, rent and utilities. This is likely to be the impact of funding cuts from other sources. However the fund does not support applications that are for on-going costs.
16. Unfortunately this has resulted in several very good applications that benefit a large number of tenants not being supported, for example Hearing Loss Support and Over the Edge. It could be considered if there are any exceptional circumstances as to when a project can be purely funded for running costs, for example as a 'bridging grant' before a larger grant is due to start.

It is proposed that the fund should be able to provide "bridging grant" as explained above.

17. The in-kind work (26% of total awarded) is under reported in terms of feedback to the Community Foundation. It is also reliant on the right person from the partner organisation visiting the project and carrying out the work if appropriate. This has taken some time recently, resulting in organisations either carrying out the work themselves due to timing issues, or delaying other projects and activities. It is proposed that this side of the fund is made more formal in terms of reporting back to the Community Foundation and the fund partners.
18. We also need to ensure that the communication between the partners and the successful applicants allows for the work to be carried out in a timely manner.

It is proposed to make this explicit in future application criteria.

Relationship with the Council's Capacity Building Fund

19. Gateshead Councils Capacity Building Fund supports organisations to build their capacity and sustainability as well as small grassroots community groups to help the Council achieve the following priorities identified within Council Plan 2012-2017:
 - Giving Children the best start in life
 - Improving health and wellbeing
 - Culture, creativity and high impact events
 - Green Gateshead
 - Creating capacity through volunteering
 - Creating the conditions for economic growth

20. The funding programme is open to any not for profit organisations based or working within Gateshead and can be one of the following:
 - Voluntary or community organisation with a constitution or set of rules
 - A registered charity
 - A Charitable Incorporated Organisation (CIO)
 - A Company Ltd by Guarantee
 - Social enterprise / CIC - a not for profit organisation which delivers charitable objectives as described under Charity Law where the social aim is the primary purpose, has an asset lock and can demonstrate public benefit. (organisations do not have to be a registered charity).
 - A co-operative – similar approach to above
 - A local branch of a national organisation

21. During the current round the fund which closed on 10 January 2014, the Council has set out that it would particularly like to support:
 - Communities and organisations to mitigate the impact of the Council's budget decisions and deliver Council Plan priorities
 - Organisations to become commission ready and able to compete for and deliver contracts.
 - Youth organisations, community centres and community libraries
 - Small, medium sized organisations and BME communities
 - Small grassroots organisations
 - Projects which help achieve the aims of the Gateshead Council Volunteer Plan to increase the number of volunteers in Gateshead, in particular around sport, the Olympic legacy, digital inclusion, students and businesses
 - Projects within neighbourhoods and communities which add value to and enhance local service provision.

It is proposed to work closely with the Council so the TGHC Community Fund complements the Councils Capacity Building Fund. In the first instance this would involve inviting a council officer to attend the fund meetings held with the partners and sharing details of applications to avoid any potential duplication.

Future role of the fund

22. Clearly our community fund is providing much needed support to a large number of voluntary organisations within Gateshead. It is important in the current economic climate that the fund continues to support the appropriate organisations. Whilst having its own separate identity the fund needs to make sure it complements the Council's fund.
23. Going forward, there needs to be consideration as to the priorities of the fund to reflect the changing economic climate, the impact of welfare reform on the community, and the state of the voluntary and community sector in Gateshead.

This report therefore proposes that the fund should focus on specific theme(s) as follows:

- Supporting projects that help tenants and their families overcome disadvantage by mitigating the impacts of welfare reform including areas of fuel and food poverty as well as capacity building of individuals
 - Creating stronger communities by supporting community groups who are undertaking an asset transfer
 - Improving the health and wellbeing opportunities for young people and the elderly.
24. This would not prevent other projects from applying, but give partners a focus on which to base decisions. However the message should be kept simple so that locally based community groups with limited resources can still apply.
 25. In proposing these additional priorities this report is also recommending a small increase in the TGHC cash grant from £25,000 to £35,000 (funded from employment costs saving being introduced from 1 April 2014) to reflect the increased demands being placed on the fund.
 26. The fund will be relaunched in April 2014 with renewed documents for applicants, an event arranged through GVOC to guide potential applicants, targeted meetings with programmes such as the BIG Local in Teams, increased use of social media, and joint PR between TGHC, the Council and the Community Foundation.

Link to Values

27. This report relates to the following company values: -
 - Being customer focused, innovative and professional.
 - Being honest, accountable and transparent,
 - Being a listening and learning organisation.

Risk Management Implications

28. By reviewing the role of the fund and agreeing its future criteria this report will ensure that the fund is relevant and targeted at applicants that can enhance the community our customers live in.

Value for Money Implications

29. There are no value for money implications directly arising from this report.

Equality and Diversity Implications

30. There are no equality and diversity implications directly arising from this report.

Financial Implications

31. The financial implications are set out in the report.

Health Implications

32. Although there are no direct health implications as a result of this report, the Community Fund has a positive impact on the health and wellbeing of Gateshead residents.

Environmental Implications

33. There are no environmental implications arising from this report.

Consultation carried out

34. The future role of the fund was discussed with Operational Managers and relevant stakeholders.

Impact on Customers

35. The funding criteria ensures that any successful applicants are working with our customers. Successful applicants play an important role in the community to enhance the lives of our customers.

Recommendations

36. It is recommended that: -
- The fund be supported for the financial year ending 31 March 2015;
 - The TGHC cash grant be increased from £25,000 to £35,000
 - The criteria be amended to include the new proposed priorities and specific exclusions as highlighted throughout the report and to ensure our fund and the Councils fund look to work more closely together.