

Revenue Funding Programme Review 2022-25

Report of the Community, Leisure and Tourism Portfolio Holder

Recommended:

1. That funding for 2022/23, as outlined in the report and shown at Annex 1 to the report, be endorsed, subject to the approval of the Council's revenue budget.
2. That the funding for 2023/24 and 2024/25 shown in Annex 1 to the report be recommended.
3. That the Head of Finance and Revenues be authorised to apply an appropriate level of additional inflationary increases in 2023/24 and 2024/25, subject to affordability in context of pressures on the Council's overall budget.
4. That funding for the services of voluntary sector support, Shopmobility provision, and free and impartial advice and support be ring-fenced as strategic funding to support these functions specifically.
5. That the funding allocation recommended for King John's House for 2022/23 be moved from the current funding programme and be managed directly by Planning Policy and Economic Development Service.
6. That the Council work with the existing funding recipients and other stakeholders to develop a revised revenue funding model for project funding in time for the 2024/25 financial year.
7. That the Community Manager or appointed deputy bring an annual report to Overview and Scrutiny Committee on the impact of both strategic and project funding.

SUMMARY:

- The current revenue funding programme comes to an end in March 2022. This report captures the outcomes of a review which will inform the nature of the programme for the period of 2022-25.
- Within that review, eight organisations were invited to apply for funding covering nine areas of work. This report includes the recommendations on allocation of funding made by the officer panel which considered those applications.
- The report also includes recommendations of that panel to explore a new model of revenue funding in future.
- The report contains an overview of the benefit of council property offered at below market rent to the charity and voluntary sector.

1 Introduction

- 1.1 Test Valley Borough Council has long recognised the value of a vibrant and robust community and voluntary sector. The Revenue Funding Programme (hereafter referred to as 'the programme') is one example of how the Council invests resources in to supporting and developing the sector in order to increase the quality of life of residents in Test Valley, whilst also reducing demand on public services.
- 1.2 The programme encompasses a broad range of funding offers, both in terms of funding value: in the final year of the last funding cycle, funding awards ranged from £2,572 to £268,417 per organisation; and also in the nature of projects funded, with a mix of core funding of organisations which the Council would consider to be strategic partners, through to funding for specific elements of well-defined projects.
- 1.3 The previous funding round was scheduled to end in March 2021 but due to the pandemic the Council extended the scheme by one year under the existing conditions to provide stability to the sector. Therefore, all current funding agreements come to an end in March 2022.
- 1.4 This report sets out proposals for funding support for the next three years as well as recommending further considerations for the management and administration of this funding beyond that three-year period.
- 1.5 This report also contains an overview of the benefit of council property offered at below market rent to the charity and voluntary sector.

2 Background

- 2.1 The previous two reviews of the programme, held in 2015 and 2018, both took a strategic view to consolidate arrangements with existing partners only, showing commitment to them and providing them some extra certainty and security. The same approach was taken with this review.
- 2.2 As we emerge from the pandemic, the sector continues to face significant challenges. Demand on the sector continues to increase and it is still not clear what impact changing behaviours will have on how people access support from the sector and therefore how the sector will need to adjust. Many organisations are finding that their income streams have changed too. Therefore, the stability of council funding continues to have significant impact and benefit beyond the difference it makes to the 'money in the bank'.
- 2.3 This context of increased demand within an increasingly difficult funding environment emphasises the importance of prioritising funding to target support towards areas of greatest need whilst achieving the best possible value for money.
- 2.4 The review process itself involved a review of the impact of the previous funding, consideration of evidence of future need, the potential impact of future funding and how this aligns with the Council's corporate priorities. The review identified that there are effectively two models of funding within the

same programme: large value core funding to organisations whose functions offer fundamental support to the strategic aims of the Council, and generally much smaller amounts for specific projects supporting more narrow and defined areas of work.

- 2.5 Following this process, the eight organisations previously funded by the programme were all invited to apply for a further three years of funding. These applications were considered by a panel of officers, and the recommendations of that panel are captured within this report.
- 2.6 It also involved a review of the evaluation criteria against which applications were considered and a review of the nature and frequency of reporting required in future.

3 Corporate Objectives and Priorities

- 3.1 The Council's Corporate Plan 'Growing Our Potential' was approved in 2019. The Revenue Funding Programme, and the projects funded by it, support all four corporate priorities in various ways but in particular it helps to grow the potential of communities, building capacity and harnessing strengths whilst bringing communities together.

4 Consultations/Communications

- 4.1 Organisations funded under the programme were involved and well informed throughout the review process. Officers met with funded organisations regularly throughout the review process and were available for support and advice through the subsequent application process.

5 Evaluation Criteria for Applications and Future Reporting by Funding Recipients

- 5.1 The review of the evaluation criteria for applications resulted in some minor refinement to the criteria themselves and a refresh of the application form so that the form more clearly aligned the applicant's submission with those criteria.
- 5.2 The review of the nature and frequency of reporting found that whilst reporting requirements need to be proportionate to the level of funding, some previous agreements didn't have an appropriate level of reporting back on performance. In future officers will agree a proportionate reporting plan for each funding stream awarded.
- 5.3 Furthermore, this report recommends that an annual report be made by officers to Overview and Scrutiny Committee on the impact of this revenue funding.

6 Summary of Funding Panel Process

- 6.1 Applications were invited from eight organisations covering nine areas of work for the period 2022-2025. All had been awarded funding in the previous funding cycle.

- 6.2 The funding panel was made up of four officers with extensive experience of assessing and providing funding to the third sector both within Test Valley and beyond. It also brought in additional officers with insight in to specific applying organisations.
- 6.3 The application assessment process further highlighted the challenges of having such a broad range of type and value of project within the same funding programme. In particular, making direct comparisons between applications for the purpose of awarding funding is challenging when organisations are operating on such differing scales and with such differing scope.
- 6.4 Through this process, the panel was able to identify a recommendation for each funding application. It has also made a wider recommendation for the provision of funding currently within this programme to be remodelled in future. For the purposes of the rest of this report, it is helpful to explain the recommendation on the remodelling of this funding before summarising the panel's reflections and recommendations for each applicant.

7 The Future of Revenue Funding

- 7.1 As already described in this report, the very significant range in value of funding within the programme, with the largest award being over a hundred times the value of the smallest, makes it very difficult for the panel to compare and balance funding bids against one another.
- 7.2 Arguably even more challenging is the divergence in how those funds are used, that divergence being both between core funding and project specific funding, and between funding which directly supports and strengthens Test Valley Borough Council's core strategic aims and those which, laudable projects such as they are, do not do so with nearly the same depth.
- 7.3 The panel is clear that there needs to be a shift from the current model which brings such disparate types of applicant together and in doing so affords unusually high levels of protection to recipients of relatively small funding amounts and which by the same token excludes collaborative bids and risks discouraging innovation in local provision. The panel is also clear that we must maintain and build on our long-term commitments to services which are intrinsic to strategic aims of the Council.
- 7.4 Specifically, the functions which the panel recognises as essential to the Council's service delivery are:
- The provision of free and impartial support and advice on debt, benefits, employment, housing and relationships, currently provided by Citizen's Advice Test Valley.
 - Core support for the community and voluntary sector, currently provided by Unity.
 - Shopmobility provision, currently provided by Unity

- 7.5 Therefore, this report recommends that with effect from April 2022, funding for the above functions, which are intrinsic to the Council's service delivery, should be ring-fenced as strategic funding to support these functions specifically (but not necessarily the organisations currently providing them) rather than forming part of the wider programme.
- 7.6 By doing this we are better able to support and safeguard areas of strategic support which enable the Council to meet its objectives. This approach also allows the Council to more clearly manage relationships and be more prescriptive about the activities which our funding is intended to support and the desired outcomes.
- 7.7 The panel also recognises the desire of King John's House to play a greater role in the development of the broader tourism offer in Romsey. To support these aspirations and achieve greater alignment with the Council's approach to tourism it is recommended that future funding for this function be managed by the Council's Planning Policy and Economic Development service (PPED).
- 7.8 Therefore, this report recommends that the funding awarded to King John's House be moved out from the programme and be managed independently by PPED.
- 7.9 The Council's tourism contract, which includes the running of the Visitor Information Centre, comes up for renewal in 2023. The nature of this contract will be significant to the future objectives for any funding provided to King John's House and therefore this report only makes recommendations on one year's funding so that funding from 2023-4 onwards is better coordinated with the tourism contract.
- 7.10 This report also recommends that over the course of the next 12-18 months the Council will work with the other funding recipients and further stakeholders to resolve a more appropriate approach by which they and other charity and voluntary groups could apply for revenue funding from the Council in future.
- 7.11 This work would be with a view to bring a new funding model to Cabinet for approval in sufficient time that a new system could be established and organisations be applying for funding for the 2024-25 financial year.
- 7.12 The panel recommends that this new model should be funded by the same budget allocation which funds the current programme, minus the ring-fenced elements described in paragraph 7.4 and the tourism element described in 7.8.
- 7.13 The likely consequence of that new model is that there will be greater competition for funding. A two-year lead in time will not only allow a well-considered review of funding provision, it will also give the effected organisations time to work with both the Council and Unity to consider how they can increase their resilience and broaden their funding streams.
- 7.14 As such, the recommendations in this report for funding functions outside of those in paragraph 7.4 and 7.8, i.e. more project-based funding, include recommendations only for 2022-3 and 2023-4.

8 Summary of Funding Panel Recommendations for Applications Received

- 8.1 The following paragraphs set out a brief summary of each application, key points of the panel's deliberations and a recommendation on whether to fund and to what level.
- 8.2 Many of the applicants have added a year-on-year increase to their funding request to account for inflation. As one might expect, different organisations have estimated different levels of inflation each year. In the interests of fairness, the Council will apply an appropriate increase to the level of funding in respect of inflation for each year of the cycle, subject to prevailing conditions and pressures at the time.
- 8.3 For the purposes of this report, any recommendations for funding in years two and three of the cycle will show no inflation related increase, so all figures reflect funding at the current financial value, as it is not yet possible to know what those inflation increases will be.
- 8.4 The first three applications considered below are those which provide the functions that this report recommends become ring-fenced as strategic funding.
- 8.5 A table of all recommended funding amounts is at Annex 1.

Citizen Advice Test Valley (CATV)

- 8.6 CATV serve large numbers of residents in Test Valley offering free and impartial support and advice on debt, benefits, employment, housing and relationships. They applied for core funding to support the salaries of their 6.1 FTE staff, pay for their premises and general operating costs and overheads.
- 8.7 In 2020-21 they supported over 3,300 individual clients with over 9,000 issues. In financial terms alone this recorded a combined income for clients of £293,769 against income gains, debts written off and repayments rescheduled, supporting both the local economy but also the financial security of the families involved and almost invariably a corresponding increase in wellbeing and reduced demand on other services.
- 8.8 They consistently score highly against the national Citizen Advice standardised assessments and delivered over £550,000 worth of volunteer hours supporting clients.
- 8.9 Over the next three years they intend to extend their outreach work, which includes building on the pilot project working with Romsey foodbank to extend over the next three years and explore similar opportunities to pilot further outreach schemes across the borough with other partners such as Andover Foodbank and the Enham Trust.
- 8.10 They are also actively seeking to build on the opportunities presented by the adaption to more flexible working and volunteering and increase accessibility for clients, as well as make themselves a more flexible volunteering opportunity for people.

- 8.11 Accounts ending March 2021 show a surplus of £12,111 after an annual expenditure of £330,667 increasing unrestricted funds to £140,586 representing around five months of operating costs.
- 8.12 CATV provide a vital service for thousands of families within the borough and offer particular support to those who are vulnerable or have complex needs. They are actively seeking to extend their reach and provide further support and are keen to build on the partnership work they are already engaged in.
- 8.13 The panel noted the excellent performance against national standards, an ongoing commitment to working in partnership locally, continuing development and self-driven improvement and adaptability in the face of the pandemic.
- 8.14 The annual increase they request is around 1% and based on an estimate of inflationary costs. As described in paragraph 8.3, the recommended funding below doesn't include any inflationary increases, which will be applied in advance of each year of the cycle.

	2021/22		2022/23	2023/24	2024/25
		Requested	£269,216	£271,908	£274,627
Awarded	£268,417	Recommended	£269,216	£269,216	£269,216

Unity (Core Support for the Voluntary Sector)

- 8.15 Unity is the Council for Voluntary Services serving the borough. It describes itself as “the umbrella organisation providing strong foundations, stability, self-reliance, sustainability and a constant presence to support voluntary and community action.”
- 8.16 In practice that means building the capacity of a vibrant and robust voluntary sector through supporting organisational governance and business planning, provision of funding advice and guidance, promoting volunteering opportunities and facilitation of training and sharing of good practice.
- 8.17 They applied for core funding to contribute towards the salaries of their 4.1 FTE staff and general operating costs and overheads. Their Andover office is owned by the Borough Council and leased to them at a peppercorn rent. Prior to the change to peppercorn rent, the lease was in the region of £8,000 pa which had previously been covered by their funding from the Council. When the peppercorn rent came into effect, their funding was reduced accordingly.
- 8.18 Accounts ending March 2020 show a surplus of £30,480 after an annual expenditure of £537,870 increasing unrestricted funds to £131,134, representing just under three months of operating costs.
- 8.19 Over the past two years Unity has played a key role in the volunteer response to the pandemic, both in the early response, with their role in the helpline and helping people to access food and shopping, through their own volunteers and in supporting many of the dozens of local groups which established for that

purpose; and latterly in managing an enormous volunteer effort to support the Clinical Commissioning Groups serving Test Valley to deliver the vaccination programme, which for much of the past twelve months has taken place in two different sites in the borough.

- 8.20 The pandemic of the past two years has meant Unity has had to be more reactive than we or they would normally expect, and they have expressed a desire to work more closely with the Borough Council to define and deliver our shared strategic aims in supporting the voluntary sector.
- 8.21 Historically Unity has been successful in establishing and extending its own functions to meet local need where there might otherwise have been gaps. The panel is keen that in developing their strategic aims, that the emphasis on increasing the effectiveness and resilience of the sector puts a particular focus on supporting other organisations in the sector to establish and extend functions to bridge those gaps in future.
- 8.22 In their application, the increase from the previous funding and throughout the three years equates to 3%, 4% and then 3%. As described in paragraph 8.2, the recommended funding below reflects an estimate of the Council’s set increases of 1.5% per annum.
- 8.23 In their application, the year-on-year increase of 3–4% is based on an estimate of inflationary costs. As described in paragraph 8.3, the recommended funding below doesn’t include any inflationary increases which will be applied in advance of each year of the cycle.

	2021/22		2022/23	2023/24	2024/25
		Requested	£37,947	£39,465	£40,649
Awarded	£36,842	Recommended	£37,947	£37,947	£37,947

Unity (Shopmobility)

- 8.24 Shopmobility provides a broad range of mobility equipment for hire to Test Valley residents and visitors (although primarily around Andover). This includes the hiring options of a half a day, a full day or a ‘loan’ hire for those who wish to take equipment on holiday or who have a need for the item during a longer period of convalescence.
- 8.25 Rental of this equipment enables people who would otherwise struggle to access a range of local facilities and amenities, thereby supporting people to remain independent whilst also supporting the local economy.
- 8.26 Accounts for Unity hold a restricted fund for the Andover Shopmobility service, which for the year to March 2020 shows a balance of £13,440, after an annual income of £43,351 and an annual expenditure of £44,492. However, there were some one-off expenditures in this year which mean operating costs are normally lower. Therefore this balance represents just over five months operating costs.

- 8.27 During the pandemic, lockdowns have had a significant impact on hire numbers for the service. Shopmobility’s client base are more likely to be clinically vulnerable or clinically extremely vulnerable to Covid 19 than the general population and many would have been shielding at various points during the pandemic, so rental figures over the past two years do not give a helpful context for the value of the service.
- 8.28 However, as society continues its recovery from the pandemic, the panel recognise how important it is that those who have faced the greatest clinical risk and were at greatest risk of social isolation through the pandemic are offered every support to reengage with their community, which the Shopmobility service clearly supports them to do.
- 8.29 The application also identifies several areas where Unity aims to improve the service, including updating their equipment to reflect demand and broaden their potential client base, establish online booking and payment, improved promotion of the service and raised awareness amongst partner organisations who can refer customers to them, for example GP surgeries.
- 8.30 As described in paragraph 8.3, the recommended funding below doesn’t include any inflationary increases which will be applied in advance of each year of the cycle.

	2021/22		2022/23	2023/24	2024/25
		Requested	£32,000	£32,500	£33,000
Awarded	£30,932	Recommended	£32,000	£32,000	£32,000

King John’s House and Tudor Cottage Trust

- 8.31 King John’s House and Tudor Cottage Trust (KJH) exists to preserve the medieval house for the benefit of future generations and to share the house in an educational context.
- 8.32 They have applied for funding to support the salaries of the General Manager and Deputy Manager (combined 1.8 FTE). Their stated aims over the next three years include placing themselves at the centre of a developing regional tourism market in active collaboration with the Visitor Information Centre in Romsey, Tourism South East and other local attractions, whilst also developing the house and gardens as an attraction in its own right, creating a more engaging experience which broadens its current narrow demographic of visitor.
- 8.33 In addition to the funding for salary costs, which are consistent with previous funding, they requested an additional £5,000 in year one to help manage the full transition from the period affected by Covid into the new tourist season.

- 8.34 The trust has operated in the context of challenging external factors through much of the previous funding cycle. In the early part of the cycle KJH report that work taking place on the 13 Church Street building and the remodelling of the town reduced accessibility to the site and therefore reduced footfall. Following this the pandemic meant that they were unable to open for long periods and when they were able to open, they were affected by the challenges facing the hospitality and tourism industries generally.
- 8.35 Nonetheless, they have held a large number of accessible events, encouraged use of the site by local groups for both professional and social events and hosted a series of artistic and musical events. They have also improved site presentation, historical interpretation and visitor services.
- 8.36 The summary of financial activity in the year to March 2021, provided with their application, shows a surplus of £14,265 after an annual expenditure of £71,096. Their last published accounts from March 2020 show unrestricted funds of £15,558, representing slightly under three months operating costs.
- 8.37 The panel noted the difficult circumstances that KJH has been operating in for much of the past four years and that they have expressed a desire to be more involved in shaping and developing the general tourism offer in Romsey in future. However, the panel feel that KJH need to demonstrate that commitment by increasing their involvement in the work of Romsey Future and other town centre partnerships and working more closely with partners such as the Visitor Information Centre.
- 8.38 The panel does not recommend awarding the additional £5,000 funding requested in year one. Other funding recipients are also facing challenges as we emerge from the pandemic but it is not an award we can make across the board, and it is not clear from the application what the additional £5000 would be used for beyond “supporting publicity”. KJH made a saving of £2,297.78 against the salaries that the funding provided for during 2020-21 due to furlough, which the Council agreed not to reclaim in order that they could invest it in Covid recovery projects.
- 8.39 Although the panel recommends that the salary element of the application be awarded, it recommends that, as described in 7.8, this funding stream be removed from the programme and managed within Planning Policy and Economic Development in order that the Council and KJH can best work together to broaden their contribution to the wider tourism offer.
- 8.40 As described in paragraph 7.9, the panel only makes a funding level recommendation for 2022/23, so that subsequent funding can be aligned with wider tourism context.

	2021/22		2022/23
		Requested	£48,634
Awarded	£44,778	Recommended	£43,634

8.41 The following five applications will show recommendations for two years of funding, reflecting this report’s recommendation that by year three a new, more appropriate, revenue funding programme has been established.

King Arthur’s Way Community Association (KAWCA)

8.42 King Arthurs Way Community Association (KAWCA) aims to enhance the lives of people living in Harroway Ward neighbourhoods by working in partnership with relevant bodies to promote educational, social and recreational activities in a safe and accessible environment.

8.43 KAWCA have a good track record with regards providing support for the community they serve. A number of the Trustees live on King Arthur’s Way so they are embedded in the community and its needs. The projects KAWCA has provided include a food bank supplemented by the offer of free fruit and veg, a job club enabling people to complete online applications for both jobs and benefits, IT drop-in, a children’s club for 5-11 year olds, older people’s club, bereavement group, community engagement events (in partnership with the TVBC Community Team) and they also opened up and acted as an emergency hub for the fatal gas explosion in 2019.

8.44 The funding requested in their application represents a nearly seven-fold increase in their funding from the previous cycle. They applied for similarly large increases in their funding in both 2015 and 2018 but managed to continue to provide a quality service despite not achieving those increases.

8.45 Accounts ending March 2020 show a deficit of £6,175.36 after an annual expenditure of £29,393.26 reducing unrestricted funds to £29,132, representing nearly twelve months of operating costs. Their reserves policy aims to have reserves of three months so they are carrying reserves well above this

8.46 However they have ring fenced reserves for improvements to the building which they didn’t want to spend until the new lease is signed. The signing of the new lease is now imminent and therefore these improvements will reduce their reserves by around a third.

8.47 They also lost significant funding from the Henry Smith Charity during the course of the previous funding cycle and are currently operating at a deficit; in particular their income through hiring of the hall has been effected by the pandemic.

8.48 Therefore the panel recommends matching the annual amount awarded to KAWCA by Hampshire County Council, at £5,000 per year.

	2021/22		2022/23	2023/24
		Requested	£19,000	£19,500
Awarded	£2,734	Recommended	£5,000	£5,000

Youth in Romsey

- 8.49 Youth in Romsey (YiR) is a small charity working in Southern Test Valley providing free, confidential support for young people between the ages of 6 and 25 years, supporting over 2000 young people a year when they need it most. Services include counselling, one to one support, three different youth clubs, employment and career advice and support, and a drop-in sexual health service.
- 8.50 They operate on a referral basis, including self-referral, and report a significant increase in demand since the pandemic resulting in a waiting list to access their support, with young people's mental health showing to be particularly effected.
- 8.51 They are requesting funding towards core costs including electricity, phone, internet, cleaning and administration
- 8.52 Prior to 2016, YiR had received funding to cover their rent and utilities at their then premises in Bell Street in Romsey. In June 2016 they moved to their new, purpose-built premises to which Hampshire County Council contributed £292,000 and Test Valley Borough Council contributed £191,000. As well as being a more suitable facility for their purposes, it offers YiR the opportunity to generate an income by hiring out space in the building.
- 8.53 The original intention was that they would stop seeking an annual contribution from Test Valley Borough Council at that point, however since then they have successfully achieved funding for utilities, cleaning and administration.
- 8.54 Accounts ending March 2021 show a surplus of £14,576 after an annual expenditure of £96,211 increasing unrestricted funds to £68,912, representing around eight-and-a-half months operating costs.
- 8.55 As described in paragraph 8.3, the recommended funding below doesn't include any inflationary increases which will be applied in advance of each year of the cycle.

	2021/22		2022/23	2023/24
		Requested	£9,500	£9,975
Awarded	£8,469	Recommended	£9,500	£9,500

Age Concern Hampshire

- 8.56 Age Concern Hampshire is an independent charity working across Hampshire to promote independent living in the over-50s.
- 8.57 Their application was to cover their rent at Town Mill House and start-up costs for their 'Help at Home' service. The latter element reducing by half in year two before being removed completely in year three.

- 8.58 As Age Concern Hampshire is such a large charity, its overall accounts are a little less relevant than they might be for other applicants, but in the interests of completeness, their accounts ending March 2020 show a surplus of £170,000 after an annual expenditure of £2.18m.
- 8.59 They also provided a financial forecast for the year ending March 2022 of the foot clinic and Help at Home combined which showed a deficit of £15,531 after an annual expenditure of £72,181. All of that deficit came from Help at Home, with the foot clinic showing a small surplus, although Age Concern do expect Help at Home to move into surplus by 2023/4 (with TVBC funding applied for).
- 8.60 The panel felt that there were other organisations offering services similar to 'Help at Home' and that as Age Concern had already launched it, it evidently had some capacity to grow the programme organically if the demand exists. Therefore, it did not feel appropriate to support such a large increase against their previous funding for this service.
- 8.61 As such, the panel only recommends covering the cost of their rent and utilities at Town Mill House.

	2021/22		2022/23	2023/24
		Requested	£13,772	£9,801
Awarded	£4,249	Recommended	£5,830	£5,830

Relate

- 8.62 Relate offers counselling, information and support to individuals, couples, young people and families. They offer counselling sessions via face to face (temporarily unavailable due to Covid-19) and via webcam and telephone.
- 8.63 They have applied for funding to provide a bursary to reduce the cost of counselling sessions for clients with an annual household income of £40,000 or less.
- 8.64 The panel noted the extensive national research presented in the application on the impact of the pandemic on family relationships and domestic abuse and the success of relate counselling sessions on their clients' relationships and that this funding would enable access to these services to families who otherwise would not be able to afford them. Ultimately, this will increase quality of life and wellbeing for those families and should reduce demand on other services in future.
- 8.65 The application has also taken on board feedback about a lack of awareness of the scheme amongst both the public and partners which Relate are already seeking to address.
- 8.66 The annual increase they request is around 2% and based on an estimate of inflationary costs. As described in paragraph 8.3, the recommended funding below doesn't include any inflationary increases, which will be applied in advance of each year of the cycle.

	2021/22		2022/23	2023/24
		Requested	£3,240	£3,307
Awarded	£3,201	Recommended	£3,240	£3,240

Andover Mind

- 8.67 Andover Mind supports people who experience, or are affected by, mental health needs. It provides a range of services including well-being support, counselling, young people's well-being, Ugly Duckling furniture upcycling project, carer support and dementia advice.
- 8.68 Their application was specifically to support the running costs of the Ugly Duckling project, a furniture recycling, repair and upcycling project which creates training, volunteering and employment opportunities whilst also reducing the amount of unwanted furniture going to waste.
- 8.69 The project started in 2010, since when over 200 people have participated in the scheme, they currently have 25 service users and 15 volunteers engaged in the project.
- 8.70 The panel recognises that Andover Mind supports some of the most vulnerable people in the Andover area. The Ugly Duckling project for which funding is sought is an innovative way of supporting clients with a range of complex needs.
- 8.71 Andover Mind is also a relatively large charity for whom the Ugly Duckling represents a relatively small element of their operation, but in the interests of completeness, their accounts ending March 2020 show a surplus of £90,428 after an annual expenditure of £1,571,152 with unrestricted funds increasing to £154,362.
- 8.72 Andover Mind did provide income and expenditure for the Ugly Duckling project specifically in 2020/21 which showed a surplus of £1,318 after an expenditure of £28,629, although this did include additional specific Covid-related funding.
- 8.73 Their application for £2,500 per annum reflects a slight reduction against their previous awards.

	2021/22		2022/23	2023/24
		Requested	£2,500	£2,500
Awarded	£2,572	Recommended	£2,500	£2,500

9 Additional Property-Based Support to the Sector

- 9.1 The Council has a broad property portfolio, much of which collects rental income which is an important income stream for the Council. However, the Council offers some of its properties to charity and voluntary organisations at rents below the commercial rate or, in some cases, at a peppercorn rent.
- 9.2 It is important to recognise reduced rent property provision as a key form of support to the sector which, in conjunction with direct financial support from the Council's various funding programmes and technical and professional advice in a range of areas across the Council, helps provide a broad platform of support from the Council to the charity and voluntary sector.
- 9.3 As at January 2021, 32 community organisations benefitted from rent charged below the market rate. Eleven of these are sports clubs, seven are community associations or similar and there are a range of local and national charities.
- 9.4 Of those 32 organisations, 16 pay either a peppercorn rent or £1 or less per year in rent and a further ten organisations pay £600 or less per year. Across the 32 organisations, these reduced rents represent a contribution to the sector with a value which can be measured in the tens of thousands of pounds each year.

10 Resource Implications

- 10.1 Recommended revenue funding for each organisation and for the proposed new model of funding is shown in annex 1 and totals:
- (i) £408,867 in 2022/23
 - (ii) £408,867* in 2023/24
 - (iii) £408,867* in 2024/25

**plus an appropriate increase for inflation*

- 10.2 In 2021/22 the single year value of funding awarded was £402,280.29. The £408,867 annual funding recommended in 2022/23 reflects an increase of a little over 1.6%. This is likely to reflect a below inflation rate increase in the value of funding in real terms following the recommendations of this report.
- 10.3 The properties which are leased at below market rent also represent a resource commitment to support the sector.

11 Legal Implications

- 11.1 There are no legal implications for the Council in the recommendations

12 Equality Issues

- 12.1 An EQIA screening had been completed in accordance with the Council's EQIA methodology and no potential for unlawful discrimination or negative impact has been identified, therefore a full EQIA has not been carried out.

13 Other Issues

- 13.1 Community Safety – none
- 13.2 Environmental Health Issues – none
- 13.3 Sustainability and Addressing a Changing Climate – none
- 13.4 Property Issues – elements of several of these awards cover rent costs at Council owned properties, either in entirety or in part. Other funding applicants occupy Council owned buildings at a peppercorn rent.
- 13.5 Wards/Communities Affected – all

14 Conclusion

- 14.1 This report recommends that funding for functions currently provided by CATV for provision of free and impartial support and advice, and by Unity for both the core support to the voluntary sector and for Shopmobility are intrinsic to the Council's service delivery and should therefore be considered separately to the rest of the programme in future. The report contains funding recommendations for these functions for the next three years.
- 14.2 It also recommends that funding for King John's House be removed from this funding programme and managed within Planning Policy and Economic Development. It provides a funding recommendation for King John's House for one year, so that funding beyond that time can be coordinated with the tourism contract in 2023.
- 14.3 Funding is recommended for a further five applying organisations for the period of 2022-24. The report recommends that over the course of the next 12-18 months the Council will work with these organisations to resolve a more appropriate approach by which they and other charity and voluntary groups can apply for revenue funding from the Council in future. This new model is to be in place in time for applications for funding in 2024-25.
- 14.4 The review also identified opportunities for improved performance monitoring and more visible feedback to councillors, in particular by way of an annual report on performance against revenue funding to Overview and Scrutiny Committee.

Background Papers (Local Government Act 1972 Section 100D)

None

Confidentiality

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

No of Annexes:	1	File Ref:	n/a
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(Portfolio: Community, Leisure and Tourism) Councillor D Drew

Officer:	David Growcott	Ext:	8606
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Report to:	Cabinet	Date:	23 February 2022
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