

# **Leicester City Council**

## **Scrutiny Review**

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### **Examining Ward Community Funding**

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### **A Review Report of the Culture and Neighbourhoods Scrutiny Commission**

**April 2024**

## Contents

	<b>Page</b>
<b>Foreword</b>	<b>2</b>
<b>Executive Summary</b>	<b>3</b>
<b>Recommendations</b>	<b>3</b>
<b>Report</b> <ul style="list-style-type: none"><li>○ <i>Review Rationale/Further Background</i></li><li>○ <i>Review Approach</i></li><li>○ <i>Summary of Current Arrangements, Evidence Gathering and Findings</i></li><li>○ <i>Summary of Task Group Conclusions</i></li></ul>	<b>4</b>
<b>Financial, Legal and Equalities Implications</b>	<b>10</b>
<b>Appendices list</b>	<b>12</b>
<b>Officers to contact</b>	<b>12</b>
<b>Appendices</b> <ul style="list-style-type: none"><li>○ Appendix A - Ward Community Funding Policy - Existing</li><li>○ Appendix B - Breakdown of Ward Funding and Population</li><li>○ Appendix C - Evaluation Form</li><li>○ Appendix D - Ward Funding Profile 2023</li><li>○ Appendix E - Application Form</li></ul>	

# **Culture and Neighbourhoods Scrutiny Commission**

## **Participating Commission Members**

Councillor Raffiq Mohammed (Chair)

Councillor Nags Agath

Councillor Teresa Aldred

Councillor Yogesh Chauhan

Councillor Elaine Halford

## **Evidence to the Commission was provided by:**

Lee Warner - Head of Neighbourhood Services

## **FOREWORD**

I am pleased to present the final report from the informal scrutiny Task Group on Ward Community Funding, and the way it is distributed and allocated, for the Culture and Neighbourhoods Scrutiny Commission.

Ward funding had been, and continues to be, vitally important in providing financial backing for community projects that help bring together our diverse communities and provide services that are so valued by the residents of Leicester.

Our work focussed on how to most effectively use the funding allocated to each Ward and how to ensure that the money went to the most deserving organisations and was used in ways that gave value for money and provided optimum benefit and enjoyment to the people of the Ward concerned.

The work of the group was very focussed, efficient and concise. We managed to make speedy progress, and following detailed discussion of the issue from members and officers with a good knowledge of the issues at hand, we were able to produce some pertinent and useful recommendations that we hope will be taken forward. I am particularly thankful to Head of Neighbourhood Services, Lee Warner, for his insights and expertise and the evidence he provided that helped us gain an even better understanding of the processes of the application process for ward funding and the delivery of the community projects funded by it.

We hope that the recommendations we have made will make the process of applying for, and the allocation of ward funding clearer, more efficient and allocated more effectively to provide optimal benefit to the ward and value for money.



**Councillor Raffiq Mohammed**  
**Vice-Chair of Culture and Neighbourhoods Scrutiny Commission**

## **1. EXECUTIVE SUMMARY**

### **1.1 Background to the Review**

- 1.1.1 At the meeting of the Culture and Neighbourhoods Scrutiny Commission on 26 September 2023, it was noted that each Ward received the same amount of funding, regardless of the size and number of Ward Councillors.
- 1.1.2 It was also noted that further work needed to be completed on the guidelines for who was able to apply for ward funding and the amount of funding issued. Councillor Dempster – Assistant City Mayor for Education, Libraries and Community Centres, suggested undertaking some informal scrutiny with Ward Councillors or as a Scrutiny Commission.
- 1.1.3 Following discussions between Cllr Raffiq Mohammed – Vice-Chair of the Culture and Neighbourhoods Scrutiny Commission, and the Head of Neighbourhood Services, it was decided to convene a task group to consider: The allocation of ward funding considering ward size/number of elected members, a possible review of guidelines and criteria to expand on purpose of ward funding, outcomes i.e. ward priorities and assessment of whether these are met by an application, a possible review of information required in bid assessments to support decision making, and the effect of multi-ward applications and how city-wide groups are funded.
- 1.1.4 The review was set up solely to examine issues around funding and not to examine the operation of Ward Community Meetings in general.
- 1.1.5 The Group held an initial session to look at the background of Ward funding including current guidelines and practice and how they wanted to go about examining the above issues and what evidence they wished to examine. This was followed by a session examining the evidence and drawing out recommendations.
- 1.1.6 This review serves as an example of a short, focused piece of work that allowed members to look at an issue in more depth than they would in a formal Scrutiny Commission. Sections 2.4 and 2.5 set out more detail of the evidence gathered and summarises how conclusions were reached.

### **1.2 RECOMMENDATIONS**

- 1.2.1 At the informal meeting on 20 February 2024, members endorsed the following set of proposed recommendations:

- a) That wording be added to the Ward Community Funding Policy to clarify that:

1. Applications demonstrating self-sustainability, value for money and in particular the use of match funding are highly encouraged.
2. The size and resources of the applicant are likely to be considered when determining the merits of a grant application.
3. New applicants (within each financial year) will be prioritised to support as many different community organisations as possible.

This guidance will help officers to present information on bids back to Councillors on the assessment form.

- b) That information in the guidance to let applicants know where they can find support be made clearer and moved to Section 2, to encourage applications from groups who are not used to the process.
- c) To provide tools for Councillors to establish Ward priorities – the budget setting sheet, and to include a prompt for officers to assess bids against ward priorities where these have been set.
- d) For prompts to be added to the Assessment Form template for officers to record the size/resources/financial standing of applicants – to enable Ward Councillors to assess the status and resources of different organisations.
- e) Ward Community Engagement Officers to encourage information for larger bids to be more detailed.
- f) Following any changes made, training be given to Ward Councillors on the new procedures.
- g) That the current three deadline dates for considering applications over £500 be dropped.

## 2. **REPORT**

### 2.1 **Review Rationale**

- 2.1.1 It had been noted that all wards received £18,000 annually for funding community projects. This is regardless of the population of the ward, its geographical size, or whether it was a two or three-member ward. Following discussion on the matter between the Vice-Chair of the Culture and Neighbourhoods Scrutiny Commission and the Head of Neighbourhood Services, it was decided to undertake some informal scrutiny to examine whether funding might be distributed differently in order to take account of the different populations and geographies of wards.

- 2.1.2 Further to this, it had been raised that larger charitable organisations often had more resources than smaller local community groups and organisations, therefore it was decided to review the guidelines and criteria to expand on the purpose of ward funding.
- 2.1.3 In terms of outcomes and meeting Ward priorities, it was seen as necessary to consider value for money in terms of how many people would benefit from an organisation receiving Ward funding. It was also raised that Wards had certain priorities, and as such there was scope for prioritising applications that helped the Ward to meet these priorities.
- 2.1.4 It was apparent that certain events funded through Ward funding benefitted people from other Wards, and in some cases people from across the city, particularly with events held in the city centre (Castle Ward). Therefore, there was scope for organisations applying for funding from multiple wards, perhaps beyond, three Wards which organisations are currently limited to applying to.

## **2.2 Review Approach**

- 2.2.1 An initial discussion was held between the Vice-Chair of Culture and Neighbourhoods Scrutiny Commission (as Chair of the work), the Head of Neighbourhood Services, the Governance Support Manager and Senior Governance Support Officer to establish the scope of the review in terms of the aspects of Ward funding it aimed to look at. It also discussed how the task group would be compiled and what each meeting would look at.
- 2.2.2 The first meeting of the task group examined the following issues that had been identified by the Chair of the task group:
- Allocation of ward funding considering ward size/number of elected members.
  - Guidelines and criteria to expand on purpose of ward funding.
  - consideration of outcomes - ward priorities and assessment of whether these are met by an application.
  - Information required in bid assessments to support decision making.
  - The effect of multi-ward applications and how city-wide groups are funded.
- 2.2.3 A second meeting was convened to consider the outcomes of the first meeting. Namely the following areas:
- How the budget is distributed and allocated given the populations of wards,
  - The possibility of increasing the amount that can be carried forward,
  - Guidelines and policy – additional information and ward priorities.

- The application process – the possibility of obtaining more financial information from organisations so as to assess their resources and their need for funding, with a view to making formal recommendations.
- The members were given the documentation appended to help inform their consideration.

## **2.3 Current Arrangements**

- 2.3.1 Currently, all Wards receive £18,000 which can be used to support activities, events and projects that bring benefits to that ward. All Wards receive the same amount regardless of the population or geographic area of the Ward. These arrangements have been in place since before Neighbourhood Services took over Ward Funding over a decade ago.
- 2.3.2 Applications are considered that are made by individuals, community groups, voluntary organisations, statutory agencies, and partners, that live, work, or have any other interest in the ward.
- 2.3.3 There is no council-wide upper limit for ward funding applications, but some ward councillors set limits for applications in their wards.
- 2.3.4 Elected Members also have the flexibility to make local arrangements for their ward to set limits on how much funding can be allocated to each application.
- 2.3.5 Applications can be made to a maximum of three wards, for which applicants must be able to demonstrate benefits spanning across all the wards.
- 2.3.6 There was currently an option to carry over 10% of the Ward budget into the next municipal year if Councillors have unallocated budget at the end of the financial year. However, all of the budget needed to be spent and closed by the end of an election year.

## **2.4 Evidence Gathering**

- 2.4.1 The group agreed that evidence could be largely provided by the service and from the Councillors involved. This was a focussed exercise to quickly gain further insight, rather than seeking the input of a range of stakeholders over a longer period of time.
- 2.4.2 To assist with their consideration of potential changes, members were shown the following documents: A breakdown of ward population and



funding, the Ward Community Funding Policy 2023, the Assessment Form Template, the Ward Funding Application Form, the Evaluation Form and the Ward Budget Profile (as appended).

- 2.4.3 The pros and cons of increasing the amount of ward funding that can be carried forward each financial year above the current 10% permitted were discussed; one of the pros being that it could avoid the loss of unspent funding.
- 2.4.4 Carry-over was exceptional due to the need to close accounts at the end of the financial year, although the Head of Finance advised that 10% could continue to be carried over where this was necessary.
- 2.4.5 It is unusual for Wards to lose unallocated money over and above 10% of the annual budget as most was spent within the financial year.
- 2.4.6 Allowing a larger carry-over would allow saving for larger projects on a longer term, however, having a lower carry-over promotes more funding for a wider range of smaller projects.
- 2.4.7 The current funding policy document did not currently have much information in terms of ward priorities, and whilst there was some explanation of what the funding was and what would not be funded, it was suggested that there perhaps needed to be more explicit guidance to suggest that smaller local not-for-profit groups would be a priority, recognising that larger groups had more resources and other funding streams. Conversely, Councillors do not necessarily want to put off larger self-sustaining charity organisations as they often had a positive impact on the ward.
- 2.4.8 It was noted that Ward Community Engagement Officers were often consulted by Councillors to assess the merits and appropriateness of a bid.
- 2.4.9 It was noted that funding applications in a ward could often benefit other wards. For example, an application may be received from an organisation in a neighbouring ward and supported on the basis that residents of the ward being applied to would make use of what was being bid for. Other examples were given by members including the funding of a float for the Caribbean Carnival being granted by Braunstone Park and Rowley Fields Ward, and the funding for events based on Victoria Park and Spinney Hills Park granted by Stoneygate Ward as the Ward did not have similar parks for such events within its boundaries.
- 2.4.10 It was noted that some Wards explicitly prioritised funding within their own boundaries and bids that would benefit their own Ward directly. This was the case in Braunstone Park and Rowley Fields.

- 2.4.11 With regard to the suggestion of emphasising ward priorities in the policy, it was raised that it was necessary to be mindful of how this was positioned as different wards may set priorities in different ways. It was also suggested that putting such information in the guidelines might discourage smaller and less experienced organisations from making valuable applications because they may not appreciate how they might align with the wider strategic priorities for the ward.
- 2.4.12 With the aid of the updated Assessment form (Appendix B) it was demonstrated that tools and mechanisms could be put into place in terms of budgeting priorities which could be shared with Councillors at the beginning of the year. This can include prompts on the assessment sheets and budgeting tools to assist Councillors to reflect their priorities. Having this information in the guidelines for Councillors would help the Ward Councillors to monitor ward budget spend against their priorities.
- 2.4.13 A full audit of the application process had been undertaken in January 2023 and significant reassurance had been given around the procedures in place.
- 2.4.14 Some Ward Councillors researched the organisations in further depth when assessing applications to assess their suitability.

## **2.5 Review Findings**

- 2.5.1 Any change in the way Wards were funded would need to remain within the existing overall budget. Further to this, redistribution of the overall budget (i.e. larger Wards receiving more funding) would likely result in smaller Wards having their budgets decrease. This could be detrimental as it could be that a Ward, despite being small, could have a high need for community funding due to deprivation in the area.
- 2.5.2 Criteria for prioritising applications could include value for money and the number of people the application would benefit.
- 2.5.3 Additional information being added to the guidance encouraging match funding and value for money should be considered. For example, the number of residents benefitting from the project would be one measure of value for money.
- 2.5.4 A suggestion was made that the application process could be broken down into applications for less than £500 and applications for more than £500, with applications for under £500 requiring less information and applications for over £500 being more extensive.

- 2.5.5 Ward priorities set by Ward Councillors, could be considered more easily with the aid of budget setting tools when considering applications.
- 2.5.6 Community Ward Engagement Officers support Councillors, using their research and experience to help assess the merits and appropriateness of a bid. Further information could be brought forward to the assessment forms to assist Councillors in their considerations.
- 2.5.7 In terms of making decisions as to where the need is, it is necessary to consider the need and the size of the organisation applying. Supporting information could be collected on the application form to help assess the needs of the organisation and the target beneficiaries of the project.

### **Benchmarking**

- 2.5.8 Desk based research was undertaken to explore any similar schemes which operate in other Councils. Whilst there were a small number of schemes which could be found, these operated on smaller budgets when compared to the Leicester scheme. Examples include:
- 2.5.9 Newcastle operates a ward community fund with a budget of £239,000 allocated across 26 wards. The minimum amount considered for an application is £150.
- 2.5.10 Staffordshire county councillors have funding available to support a community activities. Each county councillor has to £2,500 to allocate to community projects.
- 2.5.11 Heatons & Reddish Area Committee in Stockport delegates £3000 to each ward to allow Community Groups and other non-commercial organisations to apply for contributions toward funding for projects within the community.
- 2.5.12 Doncaster allocates £3,000 to each ward. The scheme was introduced in 2020 during the lockdown.

## **2.6 Summary of Task Group Conclusions**

- 2.6.1 Given that lots of applications for smaller projects were often received, it was decided to continue with the allowance of a 10% carry-over.
- 2.6.2 Match funding was strongly encouraged, especially for larger self-sustaining charity organisations. This may be non-monetary such as matching funding received with volunteer hours or similar.

- 2.6.3 With regard to multiple applications within the same year, it was suggested that first-time applicants within year should be prioritised over applicants who had already received funding in the same financial year. The idea of second applications only being considered at the end of the financial year was decided against as this could create a bottleneck of applications.
- 2.6.4 When the practical, logistical and administrative issues of expanding the number of wards that could be applied to above the three currently permitted, it was decided that the current situation be maintained.
- 2.6.5 Ward councillors could set as one of their priorities at the beginning of the year that applications from their own wards and perhaps neighbouring wards would be prioritised.
- 2.6.6 It was decided not to develop cross city funding for communities of interest as opposed to ward based communities as this moves away from the more individualised, ward funding remit.
- 2.6.7 Information in the guidance to let people know where they can find support could be made clearer. This could help people who would be otherwise hesitant to fill out the form, and also, should larger organisations ask for support, it will help the Ward Community Engagement Officers to assess the suitability of the application.
- 2.6.8 Prompts were suggested on the assessment form for Ward Community Engagement Officers to help them assess a bid, including the category that the bid fell into, whether the bid had audited accounts, whether the organisation had paid staff and whether the activity would take place without funding.
- 2.6.9 The application form will be the same for bids of under £500 and above £500, however, WCEOs should encourage information for larger bids to be more detailed, and support organisations to supply the required level of detail before this is presented to ward councillors.

### **3 Financial, Legal and Other Implications**

#### **3.1 Financial Implications**

There are no direct financial implications of the recommendations in this report. Given the financial pressures facing the authority, it is not considered appropriate to extend the existing flexibilities in relation to carrying over unspent funding from one year to the next.

Stuart McAvoy – Head of Finance, Ext 37 4004

### 3.2 Legal Implications

No direct legal implications.

Kamal Adata, City Barrister, Ext 37 1401

### 3.3 Equality Implications

When making decisions, the Council must comply with the public sector equality duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a 'protected characteristic' and those who do not.

We need to be clear about any equalities implications of the course of action proposed. In doing so, we must consider the likely impact on those likely to be affected by the options in the report and, in particular, the proposed option; their protected characteristics; and (where negative impacts are anticipated) mitigating actions that can be taken to reduce or remove that negative impact.

Protected characteristics under the public sector equality duty are age, disability, gender re-assignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

Each ward is allocated a yearly budget which can be used to support projects that bring benefits to the community within the ward and encourages local people and organisations to promote or improve wellbeing in their neighbourhoods. Ward funding continues to be vitally important and aims to support stronger, successful communities by making grants available to local voluntary, community, and self-help groups and projects. The funding can support the fostering of good relations by providing financial backing for community projects that help bring together diverse communities and provide services that are valued by the residents of Leicester. It is important that the process is accessible fair and transparent, amendments that help to make the process for applicants easier to understand should impact positively for people from across many protected characteristics.

Equalities Officer, Surinder Singh, Ext 37 4148

### 3.4 Climate Change and Carbon Reduction Implications

When considering updates to the proposed policy and assessment form, consideration should be given to opportunities to ensure that projects funded avoid negative climate or environmental impacts. Consideration could also be given to encouraging projects which support the council's strategic objectives, including tackling the climate emergency.

Aidan Davis, Sustainability Officer, Ext 37 2284

## 4 Summary of Appendices

Appendix A: Ward Community Funding Policy.  
Appendix B: Breakdown of Ward Funding and Population  
Appendix C: Evaluation Form  
Appendix D: Ward Funding Profile 2023  
Appendix E: Application Form

## 5 Officers to Contact

Ed Brown  
Senior Governance Officer - Scrutiny  
[Edmund.Brown@leicester.gov.uk](mailto:Edmund.Brown@leicester.gov.uk)  
0116 454 3833