

The Highland Council

Education, Children and Adult Services Committee - 18 November 2016

Agenda Item	3.
Report No	ECAS 73/16

3rd Sector Culture and Leisure Funding

Report by the Director of Care and Learning

Summary

This report provides members with an overview of the decision-making involved in determining the allocation of funding for 3rd sector Culture and Leisure funding based on the agreed Council priorities.

1. Background

- 1.1 The Council agreed reduced funding for 3rd sector culture and leisure services at its meeting in December 2014. Phase 1 involved a reduction of 5% in all grants and payments, and this was implemented from 2016/17. Phase 2 involved a further 45% reduction in total funding, to be implemented as part of a review that involved reconsideration of all existing payments, to be implemented from 2017/18.
- 1.2 A subsequent Council decision enabled implementation of this review to be delayed by a number of months, and it was also agreed that groups should receive notice of one year regarding the change to their funding. Organisations were asked to submit applications by 1 August 2016.

2. Council Priorities

- 2.1 There was considerable discussion of this proposal at the December 2014 Council budget meeting, and this is recorded in the minute as below:

“the importance to communities of a range of facilities was stressed, particularly the importance of swimming pool facilities to coastal communities, and as such it was welcomed that financial savings had been delayed until 2016/17 on the basis that further assessment of funding criteria would take place”

- 2.2 There was further comment in the subsequent public statement, which included that swimming pools and leisure facilities had been saved from closure, and that future funding arrangements should be considered in relation to:

“economic benefit, health or wellbeing improvements, educational agreements with the Council and social return on investment.”

- 2.3 Subsequent discussion with Council Administrations focussed these priorities around health and well-being and services for children, and consistency across the authority. This was set out in the letter that invited applications for funding, sent out by the Head of Adult Services on 27 April 2016 (attached as **Appendix 1**) as below:

“The reduction in this budget means that the Council will no longer be able to fund

the range of organisations it currently supports. Future funding commitments will reflect the Council's priorities in relation to health promotion, community-based activities and young people.

This means that the Council will seek to support activities within communities that enhance community life. This will include swimming pools and sports centres, particularly where there is no alternative local provision.

Throughout, the Council will seek to promote greater parity of funding, taking account of the level of support for similar groups and activities across the authority. It should be noted that even those organisations who receive continued funding, should expect a reduction. No organisation will be funded more than it receives this year and some organisations will receive no further funding.”

- 2.4 Applications were received from all but one organisation by the required date of 1 August 2016.
- 2.5 A sub-group of ECAS members met to consider applications on 24th August and 5th October 2016.
- 2.6 An earlier meeting involved an informal discussion regarding the remit, background, and the process the sub group would follow. This meeting was not minuted due to its informal nature and because no formal decision-making would take place, but an account of that meeting was agreed subsequently at a meeting on 3rd November 2016. The three minutes are attached as **Appendix 2**.

3. Sub-group Methodology

- 3.1 At the meetings of 24th August and 5th October, officers of the council presented members with information regarding the organisational status of the applicants, general information regarding each organisation, the purpose of previous funding, the application financial request and any relevant financial information pertaining to individual organisations.
- 3.2 Members deliberated the individual merits of each organisation in relation to the priorities set out in the letter of 27 April, whilst taking into consideration alternate provision within the area and any comparable funding arrangements across the authority.
- 3.3 The decision to fully fund community swimming pools was taken because of the clear commitment given regarding these facilities. This left much more limited funding for all other organisations.
- 3.4 Members took the view that the administration of some of the remaining monies by High Life Highland would help support the ongoing provision of sports development and adult education.
- 3.5 Members considered the funding for the youth clubs on the list and Youth Highland, being the umbrella group for a network of voluntary youth clubs/groups in Highland was considered to provide good support for the other clubs/groups. The provision of advice, information and resources for new and existing clubs on a range of issues (for example, financial management) was considered invaluable in these difficult times. Members also took the view that consideration would be given to such clubs/groups under ward discretionary budgets, which may go some way to

alleviating the financial pressure they will come under.

- 3.6 Members wished to continue to provide some support for village halls, and it was recommended to set aside a fund of £50,000, which all halls could apply to – for up to 20% of running costs, and to a maximum of £500.
- 3.7 Other organisations, which were primarily dependent on charitable funding or affiliated to national organisations were considered to be less at risk, and they were not given priority for Council funding.
- 3.8 At the 5th October meeting of the Sub-group, consideration was given to the impact of the recommendations that had been developed to date, and proposals were finalised that do not achieve the full level of savings agreed at the December 2014 Council, thus creating a budget pressure in 2017/18 and subsequent years.
- 3.9 No allocation has been recommended for Caithness Horizons in 2018/19. The present agreement is believed to end in March 2018, and further discussions will be required with Caithness Horizons and possibly other funders, regarding this matter.
- 3.10 Also, Eden Court Theatre was specifically excluded from this particular measure at the December 2014 Council, as it was addressed elsewhere, and this was also the case in the 2016/17 budget.
- 3.11 The sub-group agreed to recommend the funding allocations set out in **Appendix 3**. This is based on implementation of the new rates from November 2017.

4. Implications

- 4.1 Resources – as set out within this report and **Appendix 3**.
- 4.2 Equalities and Rural issues were highlighted as part of the Council decision making in December 2014.
- 4.3 There are no new legal, risk, climate change/carbon clever or Gaelic implications to highlight.

<h4>5. Recommendation</h4>
5.1 Members are asked to agree the financial allocations set out in Appendix 3 .

Designation: Director of Care and Learning

Date: 9 November 2016

Author: Isobel Murray, Commissioning Officer

Please ask for: Fiona Palin
Direct Dial: 01463 702874
E-mail: Fiona.palin@highland.gov.uk
Your Ref:
Our Ref: FP/AL
Date: 27th April 2016

Dear Sir/Madam

Budget Savings Voluntary Groups

I am writing to confirm funding from the Council from April 2016 and to outline the process for funding organisations from 2017/18.

As you know, it was agreed in December 2014 that funding for all groups paid from this budget would reduce by 5% in 2016/17. This means you will receive xxxxxx for this year.

The overall budget will reduce by a further 45% in 2017/18. The changes in funding arrangements will take effect from September 2017.

The reduction in this budget means that the Council will no longer be able to fund the range of organisations it currently supports. Future funding commitments will reflect the Council's priorities in relation to health promotion, community-based activities and young people.

This means that the Council will seek to support activities within communities that enhance community life. This will include swimming pools and sports centres, particularly where there is no alternative local provision.

Throughout, the Council will seek to promote greater parity of funding, taking account of the level of support for similar groups and activities across the authority. It should be noted that even those organisations who receive continued funding, should expect a reduction. No organisation will be funded more than it receives this year and some organisations will receive no further funding.

I attach an application form. If your organisation seeks financial support in 2017/18, this should be completed and returned by 1 August 2016, taking account of the priorities identified above. We expect to confirm the outcome of all applications by 1 October 2016.

Yours sincerely

Fiona Palin
Head of Adult Services

The Highland Council

Note of Meeting of a Voluntary Sector Sub Group held in Committee Room 2, Council Headquarters, Glenurquhart Road, Inverness on Wednesday 24 August 2016 at 1.00 pm.

Present:

Mr D Millar (Chair)
Mr G Ross
Mrs F Robertson
Mrs E McAllister

Mr S Fuller
Mr B Gormley
Mr T MacLennan

In attendance:

Ms F Palin, Head of Adult Services, Care and Learning Service
Ms I Murray, Commissioning Officer, Care and Learning Service
Miss J MacLennan, Principal Administrator, Corporate Development Service

Business

1. Apologies for Absence

There were no apologies for absence.

2. Declarations of Interest

The Group **NOTED** the following declarations of interest:-

Item 3 – Mrs E McAllister, Mrs F Robertson and Mr G Ross (all non-financial).

3. Third Sector and Voluntary Organisations Funding

Mrs E McAllister and Mr G Ross declared non-financial interests in this item as Members of Highland Disability Sport Committee but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that their interests did not preclude their involvement in the discussion.

Mrs F Robertson also declared a non-financial interest in this item as an Advisor to the Duthac Centre but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that her interests did not preclude her involvement in the discussion.

The Head of Adult Services reminded Members that a 5% funding reduction had been agreed by the Council in December 2014 and all Third Sector and Voluntary Organisation had been informed of the impact of this on their funding for 2016/17. In relation to funding for 2017/18 a further 45% reduction in the total budget was to apply, with effect from September 2017, and organisations had been asked to submit applications for funding, the deadline being 1 August 2016.

Members were informed of existing funding commitments in relation to Caithness Horizons, Strathpeffer Pavilion Association and the Highland Resort, Aviemore, details

of an amendment to the Service Level Agreement of the latter being reported to the Group.

In this regard, updated sheets detailing the Group's previous deliberations on applications from organisations in relation to Adult Education, Community Facilities, Sports and Youth were tabled. These sheets provided general information on each organisation together with the purpose of the funding, the organisational status, staff and volunteer levels, Opening Hours and Finances.

In summary, awards were proposed as follows:-

Adult Education

£10,000 in total.

It was reported that High Life Highland had indicated that they would be willing to administer funding to Adult Education organisations.

Community Facilities

Duthac Centre	£8912
Nairn Community and Arts Centre	No application
Village Hall Grants	£ 50,000

In discussion it was suggested that Nairn Community and Arts Centre was still intending to submit an application. However, despite two reminder letters having been sent, no application had been received and, as grants needed to be determined, no award had been made.

In regard to Village Halls, a total of £50,000 had been earmarked, a sum of money which individual village halls could apply to up to 20% and a maximum of £500.

Sports

Assynt Leisure Centre	£ 23,028
Lochalsh Leisure Centre	£ 48,775
Mallaig Swimming Pool	£ 81,057
Nevis Centre	No award
North Coast Leisure	£ 39,309
Poolewe Swimming Pool	£ 45,911
Camanachd Association	No award
Highland Curling Development Group	No award
Highland Disability Sport	£ 3,391
Nairn Sports Club	No award
Puffin Pool (Dingwall)	£ 7,175
Sports Councils	£ 34,000

Members were reminded that, in determining levels of grant, priority had been given to organisations promoting health and wellbeing. Consequently, swimming pools were being fully grant funded but, in this vein, it was confirmed that the Swimming Pools in receipt of grant were all either independently or community run. In regard to Sports

Councils, discussions had taken place with High Life Highland and they were willing to monitor this fund, recognising the emphasis being placed on sports development.

Youth

Thurso Youth Club	No award
Wick Youth Club	No award
Grantown YMCA	No award
Uniformed Youth Groups	No award
Youth Highland	£ 13435

In this regard, Members were reminded of earlier discussions where it had been suggested that some Third Sector and Voluntary Organisation projects might better be addressed in future either at Local Committee or Ward level, Youth Clubs being cited as an example.

Arts

Following on from the above, this left approximately £23,000 (Finance have revised this figure and confirm £10,057) to allocate to Arts organisations. The Sub Group recognised the significant benefit some organisations had locally and the respect they received nationally. However, in determining how best to distribute the amount of remaining funding, they acknowledged the need to take into account factors such as availability of support from elsewhere, the positive impact to be gained in addressing social disadvantage, the age range of participants (with emphasis on children and young people), capacity to increase income and the need to ensure maximum benefit could be gained from any award of grant. Although, again, Ward Discretionary budgets could augment reduced levels of grant, some Wards would be unable to support organisations to any significant degree.

Accordingly, the Group were of the view that, with the removal of an award of grant to both the Touring Network and Arts Promoters' Grant Scheme, the remainder be awarded 45% reduction as follows:-

AROS	£ 7096
Highland Print Studio	£ 7602
Lochaber Music School	£ 9123
Lyth Arts Society	£ 1483
Society of Badenoch and Strathspey Artists	£ 4055
Room 13	£ 4055
Touring Network	No award
Arts Promoters' Grants Scheme	No award

The Sub Group therefore **AGREED** that its recommendations for the award of grants, as detailed above, be considered at the Education, Children and Adult Services Committee scheduled to take place on 26 October 2016.

The meeting concluded at 1.50 pm.

The Highland Council

Note of Meeting of a Voluntary Sector Sub Group held in the Convener's Hospitality Room, Council Headquarters, Glenurquhart Road, Inverness on Wednesday, 5 October 2016 at 10.30am.

Present:

Mr D Millar (Chair)
Mr G Ross
Mrs B McAllister

Mr S Fuller
Mr T MacLennan (by tele-conference)

In attendance:

Ms I Murray, Commissioning Officer, Care and Learning Service
Miss J MacLennan, Democratic Services Manager, Corporate Development Service

Business

1. Apologies for Absence

Apologies for absence were intimated on behalf of Mrs F Robertson and Mr B Gormley.

2. Declarations of Interest

There were no declarations of interest at the meeting.

3. Third Sector and Voluntary Organisations Funding

Following on from the previous meeting which had been held on Wednesday, 24 August 2016, the Chair advised that he had been in discussion with the Leader of the Council and it had now been confirmed that additional monies could be made available and that the Group should therefore re-consider the position which had been agreed at the previous meeting in relation to specific recommendations.

In this regard, discussion was undertaken as follows –

Nevis Centre – it had previously been recommended that there should be no grant awarded but, in light of the new circumstances, it was now suggested that 45% of the original amount requested could be awarded – this equated to a grant of approx. £91k. However, this was on the basis that the Centre should be advised that the following year's budget within the Council was likely to be extremely challenging and there could be no guarantees of any further funding in future.

There were therefore two options available – either to maintain the previous recommendation of no award of grant or to recommend a grant at a level of 45% of the original amount requested which would equate to approx. £91k.

Recommendation – grant of approx. £91k to be awarded.

Nairn Community & Arts Centre – it had previously been recommended that there should be no grant awarded. In this regard, it was highlighted that the Centre had not

met the deadline in terms of the submission of their application and also that they had a considerable level of unrestricted reserves which could be called upon if needed.

There were therefore two options available – either to maintain the previous recommendation of no award of grant or to recommend a grant at a level of 45% of the original amount requested which would equate to approx. £35k

Recommendation – maintain previous recommendation of no award of grant.

In conclusion, it was confirmed that the recommendations which had been agreed at this meeting - and the recommendations arising from the previous meeting held on 24 August – would be submitted to the Education, Children and Adult Services Committee meeting which was scheduled to take place on Wednesday, 26 October 2016.

The meeting concluded at 11.00am.

The Highland Council

Note of Meeting of the Voluntary Sector Sub Group held in Committee Room 4, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 3 November 2016 at 1.00pm.

Present:

Mr D Millar (Chair)
Mr G Ross
Mrs B McAllister

Mrs F Robertson
Mr T MacLennan (by tele-conference)

In attendance:

Mr B Alexander, Director of Care & Learning
Ms I Murray, Commissioning Officer, Care and Learning Service
Miss J MacLennan, Democratic Services Manager, Corporate Development Service

Business

1. Apologies for Absence

There were no apologies for absence.

2. Declarations of Interest

There were no declarations of interest at the meeting.

3. Third Sector and Voluntary Organisations Funding

The Chair confirmed that he had asked for this meeting to be arranged following the events which had taken place since the last meeting of the Education, Children & Adult Services Committee on 26 October and in advance of the Special Meeting of that Committee which had now been arranged for 18 November in order to further discuss the funding of third sector and voluntary organisations.

In this regard, it was confirmed that, during an informal meeting of the Sub Group at the start of the process, Members of the Group had discussed the following:-

- applications which had been received at that time from third sector and voluntary organisations;
- the scoping exercise on how to conduct the process, whilst being mindful of any areas of discretion;
- the criteria which had been agreed by the full Council in December 2014 and which was unanimously agreed again by all those present at the meeting (and subsequently contained in letters which had been sent to the organisations concerned);
- issues in relation to Swimming Pools across the Highland area;
- the potential implications on health and wellbeing arising from decisions taken;
- the need to recognise how any decisions could affect children throughout the process;

- that a further update would be provided for the next meeting in relation to those organisations who had yet to submit applications;
- the provision of financial assistance to Village Halls;
- allocation of funding for Sports Councils;
- whether or not it was appropriate to fund national (as opposed to local) organisations;
- the need to apply consistency across the board (45% reduction in funding for all groups);
- the factors to be taken into account in terms of the administration of any reductions in funding; and
- the scale of difficulty which these reductions were likely to cause and alternative provision which might be possible in some areas to mitigate the effects of the situation.

At this point, reference was made to the process which was currently followed for applications submitted to the Inverness Common Good Fund Grants Sub Committee and it was suggested that this might have been a more appropriate way of dealing with the applications in that significant detail would have been available for Members. In response, it was advised that additional detail on all of the applications could have been made available but that this had not been requested by Members of the Sub Group at any time during the process.

The Director also confirmed that funding for Eden Court should not have formed part of the original reports and that this would now be withdrawn from the process.

In summary, the above issues were confirmed as being an accurate account of what had been debated at the first informal meeting.

Reference was also made to the second meeting of the Group during which discussion had been taken forward and it had been thought that that was the end of the process. However, a further meeting had been called to enable consideration in relation to the Nevis Centre following which it had been agreed to recommend a grant of approx. £91k (which equated to 45% of the original amount requested) on the basis that it was acknowledged that this would create a budget pressure which would need to be carried forward.

In terms of looking forward, it was noted that a report would now be prepared by the Director of Care & Learning and submitted to the Special Meeting on 18 November, which would include details of the applications received, the process which had been followed and the Minutes of Sub Group meetings.

The various third sector and voluntary organisations would also now be advised by letter as to the current position.

It was also agreed that the Minutes of this Meeting should be forwarded to all Members of the Sub Group when completed.

The meeting ended at 1.40pm.

	16/17 Budget	17/18 Grants			Appendix 3
		Apr - Oct incl. 16/17 rate	Nov to Mar new rate (pro rata)	Total 17/18 Payment	18/19
Caithness Horizons	90,000			90,000	tbv
Strathpeffer Spa Pavilion building maintenance	5,200			5,200	5,200
Aviemore Highland Resort	150,000			180,000	180,000
Village halls	152,154	88,757	20,833	109,590	50,000
Nairn Community Centre	65,252	38,064		38,064	
Duthac Centre	16,203	9,452	3,713	13,165	8,912
Assynt Leisure Centre	23,028			23,028	23,028
Lochalsh Leisure Centre	48,775			48,755	48,775
Mallaig Swimming Pool	81,057			81,057	81,057
North Coast Swimming Pool	39,309			39,309	39,309
Poolewe Swimming Pool	45,911			45,911	45,911
Highland Disability Sport	3,391			3,391	3,391
Puffin Pool	7,175			7,175	7,175
Camanachd Association	6,768	3,948		3,948	
Nairn Sports Club	7,050	4,113		4,113	
Highland Association of Curling	3,023	1,763		1,763	
Linnhe Leisure (Nevis Centre)	165,803	96,718	37,997	134,715	91,192
Sports Councils	68,882	40,181		40,181	
Sports Development - HLH			15,785	15,785	34,000
AROS	12,901	7,526	2,956	10,482	7,096
Highland Printmakers	13,822	8,063	3,168	11,231	7,602
Lochaber Music School	16,587	9,676	3,801	13,477	9,123
Lyth Arts Centre	2,697	1,573		1,573	
Promoters Arts Network	1,106	645		645	
Room 13	7,372	4,300	1,689	5,989	4,055
Society of Badenoch & Strathspey Artists	7,372	4,300		4,300	
Strathpeffer Pavilion	41,467	24,189		24,189	
SGBT Strathpeffer Spa Pavilion	4,560	2,660	1,900	4,560	4,560
Arts Promoters Scheme	38,703	22,577		22,577	
Adult Learning - HLH			4,167	4,167	10,000
LEAD	7,372	4,300		4,300	
WEA	14,744	8,601		8,601	
Highland Boys Brigade	3,158	1,842		1,842	
Highland Guide Association	3,088	1,801		1,801	
Highland Scout Association	3,000	1,750		1,750	
Grantown YMCA	14,514	8,466		8,466	
Highland Girls Brigade	1,128	658		658	
Inverness Sea Cadets	516	301		301	
Thurso Youth Club	12,790	7,461		7,461	
Wick Youth Club	12,790	7,461		7,461	
Sutherland youth grants	4,422	2,580		2,580	
Youth Highland	24,428	14,250	5,598	19,848	13,435
Total Proposed Payments				1,053,409	673,821
17/18 budget				854,517	654,517
Budget Pressure				198,892	19,304