



**Author/Lead Officer of Report:**  
Jason Siddall  
Head of Communities  
Tel: 07917 084875

**Report of:** John Macilwraith

**Report to:** Leader

**Date of Decision:**

**Subject:** Tackling Inequalities in the city through investing in Grants to the Voluntary and Community Sector 2022-2023

Is this a Key Decision? If Yes, reason Key Decision:-	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
- Expenditure and/or savings over £500,000		<input checked="" type="checkbox"/>		
- Affects 2 or more Wards		<input checked="" type="checkbox"/>		
Which Cabinet Member Portfolio does this relate to? Neighbourhoods and Community Safety				
Which Scrutiny and Policy Development Committee does this relate to? <i>Safer and Sustainable</i>				
Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? EIA 824				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>				

**Purpose of Report:**

The Cabinet previously agreed a three-year programme for grant funding and two 12-month extensions to the programme up to 31 March 2022. Also Included was a commitment to undertake a full review of the Grant Aid Funding arrangements.

This report seeks to obtain authority to delay the completion of that review for a further 12 months considering sector requirements due to Covid and in order to consider wider strategic developments.

The report further seeks to agree a grant aid budget at a value of £1.437m for a further period of one financial year (2022-2023) for the purposes outlined in this report.

**Recommendations:**

1. Extension of the existing Grant Aid Strategy (2017-20) for 12 further months from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 as outlined in this report.

2. Approve the Grant Aid budget for the extension period of £1.437m for the financial year 2022-2023 as detailed within this report.

3. Approve the individual grant awards as detailed within this report and delegate authority to enter into any such funding agreements to the Head of Communities, where no such authority exists under the Leaders Scheme of Delegations (LSOD).

4. Approve that the Tackling Inequality Fund be allocated, in line with this report. Where no such authority exists under the LSOD, delegate authority to Head of Communities in consultation with the Co-operative Executive Member for Community Engagement and Governance to award and manage such grant awards in line with this report.

5. Approve the extension of the Lunch Club fund for a 12 month period for 2022/23, and where no authority exists under the LSOD delegate authority to the Head of Communities to agree such changes to the use the grant by the recipient to support changes to their activity due to impact of Covid 19.

6. Where no existing authority exists under the LSOD delegate to the Head of Communities authority to:

(i) agree the amounts, purposes and recipients of any individual grants awarded in year from the Grant Funds including any additional sums received, returned or unpaid and to carry out such management and award and withdrawal of such funding as necessary and in line with this report.

(ii) Allocate any other additional sums that may be received in

	year from other parts of the Council or other partners as part of the Voluntary Sector Grant Aid process to fund local voluntary sector activity.
(iii)	Move the budgets between the stated grant streams if an underspend is identified during the financial year or to respond to needs during Covid Recovery.
(iv)	Make any necessary changes to the 'outcomes and delivery' of grants for 2022/23 in line with the objectives of the report.

**Background Papers:**

- Appendix A: Budget Proposal spreadsheet

Lead Officer to complete:-							
1	<table border="1" style="width: 100%;"> <tr> <td style="width: 45%;">I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</td> <td>Finance: Liz Gough</td> </tr> <tr> <td></td> <td>Legal: Henry Watmough-Cownie</td> </tr> <tr> <td></td> <td>Equalities: Ed Sexton</td> </tr> </table> <p><i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i></p>	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Liz Gough		Legal: Henry Watmough-Cownie		Equalities: Ed Sexton
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4	<p>I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 45%;"><b>Lead Officer Name:</b> Jason Siddall</td> <td><b>Job Title:</b> Head of Communities</td> </tr> </table> <p><b>Date:</b> 12/01/2022</p>	<b>Lead Officer Name:</b> Jason Siddall	<b>Job Title:</b> Head of Communities				
<b>Lead Officer Name:</b> Jason Siddall	<b>Job Title:</b> Head of Communities						

**Tackling Inequalities through investing in Grants to the Voluntary Sector: A one year extension to the fund(s)**

<b>1.</b>	<b>PROPOSAL:</b>
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1.1	The proposal is to ensure that the council continues to tackle inequalities in the city and provide stability to the sector during Covid recovery. Continuing to fund the voluntary sector and extending the current Grant Aid arrangements for a period of one financial year for 2022-23 at the value of £1.437m.									
1.2	<p>Work on the grant aid review has paused due to changing priorities responding to the continuing impact of Covid in the city. Post Covid, the review will need to change its focus following the direct impact of the pandemic. The review will also consider the Race Equality Commission recommendations and SCC one year plan outcome priorities.</p> <p>Specifically, for Grant Aid</p> <ul style="list-style-type: none"> <li>• Reviewing the purpose and priorities of existing grant funding arrangements</li> <li>• Establishing a new strategy for Grant Aid for the city from April 2023.</li> <li>• Formulating new criteria and processes for Grant Aid</li> </ul> <p>Work on the strategy will also enable us to revisit:</p> <ul style="list-style-type: none"> <li>• Exploring potential for central grants register in the Council</li> <li>• Adopting an agreed corporate approach to grant giving</li> <li>• Work to gain an overview of total Council investment in the VCS and the impact to Sheffield citizens</li> </ul>									
1.3	The timetable for this review and strategy will be agreed with the Co-operative Executive Member for Community Engagement and Governance									
1.4	<p>Grant Aid is made up of 2 funding elements; public health funding and General Funding, totalling £1.437m in 2020-2023. It is recommended that a stand still budget is approved for a further year.</p> <table border="1" data-bbox="290 1397 815 1675"> <thead> <tr> <th colspan="3">2022-23</th> </tr> <tr> <th>Public Health</th> <th>General Fund</th> <th>Total Grant Aid Budget</th> </tr> </thead> <tbody> <tr> <td>£887,314</td> <td>£550,100</td> <td>£1,437,414</td> </tr> </tbody> </table>	2022-23			Public Health	General Fund	Total Grant Aid Budget	£887,314	£550,100	£1,437,414
2022-23										
Public Health	General Fund	Total Grant Aid Budget								
£887,314	£550,100	£1,437,414								
1.5	It is proposed that all existing Core Service and Infrastructure Grants are extended for 12 months at their existing value. (See Appendix A)									
1.6	<p>In relation to the Lunch Club Grant Pot it is recommended that:</p> <p>Grant award values to existing clubs (and any decisions to cease funding to any clubs) is flexible and responds to the needs of groups post Covid with decisions made by the Head of Communities in consultation with the Co-operative Executive Member for Community Engagement and Governance</p>									

1.7	Grant recipients will be offered 12-month grant agreements. These will be issued following Full Council approval of the 2022-23 Council budgets in March 2023. In preparation for this, officers and grant recipient organisations will carry out their annual review of these grant agreements taking into account Covid recovery requirements and agree any necessary changes in early 2023.
1.8	It is proposed that the Tackling Inequalities Fund is allocated again in 2022/23 with the decision from the Head of Communities about the most appropriate approach to take on this.
1.9	<p>The Voluntary Sector Liaison Team is working with South Yorkshire Community Foundation and other funders in Sheffield to consider how we can develop collaborative approaches to future funding. This will include sharing good practice and where possible information on groups and activities funded.</p> <p>It is proposed that the names of groups who apply to the Tackling Inequality Fund and a list of all awards made will be shared with the Sheffield Funders Forum. This will ensure groups who need additional financial support or do not meet our criteria may be able to access it whilst avoiding any possible duplication of groups being awarded money from different funders to undertake the same work.</p>
<b>2.</b>	<b>HOW DOES THIS DECISION CONTRIBUTE?</b>
2.1	The VCS is a key partner at a neighbourhood and city level in tackling inequalities in the city. The sector is valued and is quick to identify solutions to numerous challenges, supports communities to develop connections, and promotes inclusivity. To respond to the challenges the city has ahead, requires a range of partners working together with the people of Sheffield.
2.2	Many VCS services and activities are complementary to council service delivery and support the achievement of key strategies and outcomes.
2.3	Grant Aid is the only council budget ring fenced to support citywide activities delivered by the local Voluntary and Community Sector in Sheffield.
2.4	The existing Grant Aid strategy, which this report seeks to extend, funds a range of Voluntary and Community Sector organisations in the city which fundamentally contribute to the Priorities of the Council's last Corporate Plan, in particular Tackling Inequalities and Better Health & Wellbeing.
2.5	<p>In addition, the allocation of this grant funding contributes to the Fairness Commission's recommendations around –</p> <ul style="list-style-type: none"> <li>● Health &amp; Wellbeing for All</li> <li>● Fair Access to High Quality Jobs and Pay</li> <li>● Fair Access to Benefits and Credit</li> <li>● Housing and a Better Environment</li> <li>● A Safe City</li> <li>● What Citizens and Communities can do</li> </ul>

2.6	<p>The extension of the existing arrangements will mean grant funding will continue to be available to support activities and services that will directly benefit a wide range of vulnerable local citizens during the Covid recovery period. Beneficiaries from the Core Service Grants and the Lunch Club Fund include the following groups of vulnerable local people:</p> <ul style="list-style-type: none"> <li>• Those in need of advice and advocacy services</li> <li>• Households in financial need</li> <li>• Isolated older people including BME Older People</li> <li>• Homeless people</li> <li>• Ethnic minority women</li> <li>• Refugees, asylum seekers and new arrivals</li> <li>• Mental health / learning disability service users</li> <li>• Street drinkers</li> </ul>
2.7	<p>The beneficiaries of the Infrastructure Fund grants are a range of VCS groups in the city. Infrastructure support is vital to a strong, well-managed voluntary sector that can adapt to a changing world and build resilience post Covid. The Council's support for infrastructure organisations enables capacity building across the sector.</p> <p>The VCS has demonstrated its critical importance to the city during Covid. Organisations have reacted swiftly and innovatively to support needs in the city working collaboratively with partners. Extending current arrangements will provide stability and continuity as the city recovers from the pandemic in 2022/23.</p>
2.8	<p>All grant recipients will continue to monitor service use, evidence the positive impact of their work, present their beneficiary outcomes, as well as, providing a diversity profile of their service users. This information will be shared on our website.</p>
2.9	<p>The last 'Sheffield State of the Voluntary and Community Sector 2018' report<sup>1</sup> estimated that the voluntary sector contributes £287 million to the Sheffield economy each year and £90.5m- £125m of this figure is volunteer time. Each year there are 30 million reported contacts with clients, users, or beneficiaries.</p>
2.10	<p>The council recently developed a one-year plan to identify immediate priorities. These included</p> <ul style="list-style-type: none"> <li>a) Communities and neighbourhoods <ul style="list-style-type: none"> <li>• Empowered communities</li> <li>• Thriving neighbourhoods</li> </ul> </li> <li>b) Education, health and care</li> </ul>

<sup>1</sup> Sheffield State of the Voluntary and Community Sector 2018: University of Sheffield

	<ul style="list-style-type: none"> <li>• Give everyone the best start in life</li> <li>• Enabling adults to live the life that they want to live</li> </ul> <p>c) Our city</p> <ul style="list-style-type: none"> <li>• Involve our citizens in the decisions that affect them and their communities</li> <li>• Support our diverse communities in recovering from the impact of Covid by taking visible action to fight poverty and inequality</li> </ul> <p>Funding the proposed VCS activity/ organisations will enable key strategic initiatives to support some of the most vulnerable people in our city.</p>
<b>3.</b>	<b>HAS THERE BEEN ANY CONSULTATION?</b>
3.1	<p>The last State of the Sector report by Voluntary Action Sheffield (VAS), highlighted the already (pre pandemic) increasing demand on the voluntary sector to fill the gap between the private sector and statutory services. Respondents to the surveys showed a decrease in income from contracts and public donations with many spending more of their financial reserves to maintain the quality of their provision. This essentially means the sector was spending more money than they had coming in.</p>
3.2	<p>Since that report, headlines from the South Yorkshire Community Sector Resilience Survey carried out by the University of Sheffield have highlighted that this is an ongoing concern during the pandemic.</p>
3.3	<p>At a local level, VAS reported in their June 2020 report on the sector's initial response (<a href="https://www.vas.org.uk/wp-content/uploads/2020/06/COVID19-VCS-report.pdf">https://www.vas.org.uk/wp-content/uploads/2020/06/COVID19-VCS-report.pdf</a>) several impacts of the pandemic on the sector so far:</p> <ul style="list-style-type: none"> <li>• Financial Stability <ul style="list-style-type: none"> <li>○ Like other sectors, when the job retention scheme ends, there is likely to be job losses in the sector.</li> <li>○ Current demand is decimating reserves of those organisations and groups that had them.</li> <li>○ An increase in demand for voluntary sector support in the employment, training and benefits arena is likely as the country hits an economic recession.</li> <li>○ Increased expenditure to deliver activity online and or pay for PPE to deliver activity safely.</li> <li>○ Existing grants and commissioned work is often ring-fenced for specific purposes and don't allow organisations the flexibility to cover core costs or change their way of working and priorities.</li> <li>○ Innovation and pilot testing of new ideas is unlikely as funds are</li> </ul> </li> </ul>

	<p>being used for existing essential costs.</p> <ul style="list-style-type: none"> <li>• Staff and Volunteers <ul style="list-style-type: none"> <li>○ Many volunteer led, small community groups like lunch clubs were run by volunteers in the older at risk age group and have been shielding. Their confidence or willingness to volunteer again is unknown.</li> <li>○ Recruiting, inducting, managing (and affording out of pocket expenses and PPE for) more volunteers to cope with demand is difficult in roles where there it is already difficult to recruit to.</li> <li>○ As people go back to work or are able to do more 'normal' day to day activities, volunteers in mutual aid groups may disappear leaving those most vulnerable and unable to return to a more 'normal life' isolated.</li> <li>○ Burnout is a very real issue as many volunteers have been on the front line with communities, supporting people in crisis, without thanks or acknowledgement and no investment in wellbeing services for them.</li> </ul> </li> <li>• IT/Tech <ul style="list-style-type: none"> <li>○ The VCS may not have invested in the kit and skills development to enable their workforce (paid or voluntary) to work from home at the scale needed.</li> <li>○ The sector has been relying on good will of its staff and volunteers using their own IT and data but this cannot be long term.</li> <li>○ 57% of respondents to the South Yorkshire Community Sector Resilience Survey reported digital inclusion a problem for people they work with meaning it hasn't been possible to engage with and support their existing 'service users' not just because the organisation doesn't have the kit or skills.</li> </ul> </li> <li>• Planning <ul style="list-style-type: none"> <li>○ Capacity at organisations is already limited and with people responding to emergency situations, there isn't necessarily the time to plan for the future, work on funding bids, and seek support.</li> <li>○ Some organisations have had to scale back their priorities which could lead to falling behind on operational matters or strategic work.</li> </ul> </li> </ul>				
3.4	<p>The consultation for the last cabinet report still stands:</p> <p>155 people took part in the public consultation and the results showed overwhelming support for us to continue to have a Grant Aid budget as a means to invest in Sheffield's local voluntary and community sector and that this should continue to be specifically to fund city-wide activity.</p>				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><b>Question</b></td> <td style="width: 12.5%;"><b>Yes</b></td> <td style="width: 12.5%;"><b>No</b></td> <td style="width: 12.5%;"><b>Not</b></td> </tr> </table>	<b>Question</b>	<b>Yes</b>	<b>No</b>	<b>Not</b>
<b>Question</b>	<b>Yes</b>	<b>No</b>	<b>Not</b>		

				<b>Answered</b>
	Should the council continue to have a Grant Aid budget as a means to invest in the voluntary and community sector?	153	1	1
	Should this budget continue to be ring-fenced specifically for Sheffield's local voluntary and community sector?	148	5	2
	Should the council continue to provide grant commitments for more than one year?	151	2	2
	Should the Council continue to use the Grant Aid budget specifically to fund city-wide activity?	139	11	4
<b>4.</b>	<b>RISK ANALYSIS AND IMPLICATIONS OF THE DECISION:</b>			
<b>4.1</b>	<u>Equality of Opportunity Implications</u>			
4.1.1	<p>Funding to the voluntary and community sector through Grant Aid contributes to the Public Sector Equality Duty (part of the Equality Act 2010, referenced below). This requires us to consider the need to:</p> <ul style="list-style-type: none"> <li>• eliminate discrimination, harassment and victimisation,</li> <li>• advance equality of opportunity,</li> <li>• foster good relations.</li> </ul> <p>This is in respect of 'protected characteristics' that people share. Grant Aid directly applies to protected characteristics, including (but are not limited to): age, race, sex and disability.</p>			
4.1.2	Grant Aid also closely applies to the Council's broader equality considerations, including unpaid carers, health, poverty and cohesion.			
4.1.3	We are not proposing any cut to grants and therefore anticipate no detrimental effect to grant recipients.			
<b>4.2</b>	<u>Financial and Commercial Implications</u>			
4.2.1	We are not proposing any cut to grants and therefore anticipate no financial implications to grant recipients.			
<b>4.3</b>	<u>Legal Implications</u>			
4.3.1	The legal power for the Council to establish, administer and make awards from the various grant funds as described in this report is provided by the general power of competence, contained in Section 1 of the Localism Act 2011. The Council must at all times be mindful of the requirements imposed by the public sector equality duty enacted in Section 149 of the Equality Act 2010.			

	Any existing grant recipients or new recipients must be issued with a revised grant agreement / extensions that contain the relevant Sheffield City Council Terms & Conditions for such awards.
4.4	<u>Other Implications</u>
4.4.1	Tackling Inequalities: investing in the Voluntary sector through grant aid tackles many areas of inequality that exist in the city, notably in income, health and opportunity.
<b>5.</b>	<b>ALTERNATIVE OPTIONS CONSIDERED:</b>
5.1	<u>None</u> There has always been a danger that even for groups and organisations with a strong organisational infrastructure, rapid growth and demand for their work can leave them vulnerable as their staffing/volunteers; skills, IT, office space, reserves are not able to cope with demand (Esme Fairbairn Foundation). The pandemic has not necessarily created new problems, but it has put pressure on the VCS in areas it was already struggling with. To cut or change grant funding support to our existing grant beneficiaries would be detrimental at this time.
<b>6.</b>	<b>REASONS FOR RECOMMENDATION:</b>
6.1	Council officers have seen first hand that the voluntary sector has experienced an increase in demand for its 'services' during the Covid-19 pandemic and although some of the sector has been able to access short term funding to respond to emergency situations, there is a real threat that the city's VCS may not be sustainable in either the short term (to cope with another wave) or the long term. Investment is therefore needed for activity to support the citizen's of Sheffield and the groups and organisations that provide that support.
6.2	All existing grant recipients have stepped up to the challenge and contributed to the city's response to Covid-19. With the onset of lockdown, staff and volunteers worked hard to establish the immediate needs of their service users, identifying vulnerable clients and offering direct support where necessary. Organisations have worked in partnership with both statutory and VCS partners to help set-up and deliver key Covid-19 support services. All have played a critical role in helping to disseminate essential public health information and key messages to our diverse communities across the city. This in parallel with the huge efforts they have taken to ensure they can continue to provide their own services in different and innovative ways now and into the future.
6.3	Extending existing arrangements for a year into 2022/23 allows us to continue to

	support the valuable work of the VCS, tackle inequalities in Sheffield in the most cost effective way and undertake a thorough review of the Councils investment in Grant Aid
6.4	We wish to continue to fund the Voluntary Sector through Grant Aid whilst understanding the financial constraints. We want to show the voluntary sector we value the excellent and wide-ranging support they provide to a diverse range of Sheffield residents.
6.5	Relaunching an open pot, part of the overall Grant Aid monies, allows us to invite new organisations in the city to bid for funding to allow for innovative support to the City's diverse communities sector.