

Report of Deputy Director Integrated Commissioning

Report to Director of Adults and Health

Date: 17th March 2021

Subject: Adults and Health Third Sector Grants Schedule 2021/2022

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- The report seeks the approval of the third sector grant payments for the financial year 2021/2022.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- Services provided as part of the grant payments will contribute to the delivery of key outcomes within the Best Council Plan, specifically to improve the quality of life for our residents, particularly those who are vulnerable or are in poverty and will make a contribution to the Leeds Health and Well-Being Strategy and its priority to make Leeds the best city for health and well-being.

3. Resource Implications

- All grant payments detailed in Appendix 1 are included within the Adults and Health budget for 2021/2022. The maximum total amount of the grants payable during 2021/2022 is £440,880.44.

Recommendations

- a) The Director of Adults and Health is recommended to approve the payment of the third sector grants to the maximum amounts detailed in Appendix 1 for the financial year 2021/2022.
- b) The Commissioning Programme leader for Adults and Health will implement this decision directly after it has been taken, subject to the necessary clearance process being completed, by issuing relevant letters to the organisations informing them that their grant has been extended for a further year.

1. Purpose of this report

- 1.1 The report seeks the approval of the third sector grant payments for the financial year 2021/2022.

2. Background information

- 2.1 All grants from the directorate are currently given to the third sector on an annual basis. The directorate currently has an ongoing review process taking place, which is assessing the relevance of each grant against Adults and Health strategic aims, value for money and whether or not grant funding is the most appropriate method of funding a particular service.
- 2.2 The annual grants schedule showing the organisations and their respective maximum funding amounts is shown in Appendix 1.

3. Main issues

- 3.1 Grants to a significant number of third sector organisations were reduced by up to 15% in 2011\12 and no increase to the grant payments have been made since this time. Given the significant financial pressures during the coming financial year, there will be no inflation increase on any of the grant payments listed in Appendix 1 made to the third sector during 2021/2022.
- 3.2 Adults and Health is continuing to review all the grant arrangements with the third sector listed in this report to ensure that grant funding is the most appropriate method of funding these organisations. Adults and Health will continue to review the grants listed in this report, along with its partner agency commissioners, during the financial year 2021/2022 to ensure that the payments being made are strategically relevant, that performance of the organisations is monitored and demonstrated to be effective and that the Council is achieving best value for money.
 - 3.2.1 It is important to note that some of the grant figures on Appendix 1 may be subject to change as, at the November LCC Executive Board, approval was given to consult on applying a 10% reduction to grants and contracts for older adults and working age adults third sector services. The proposal to implement these reductions is on the list of forthcoming key decisions and as such is still subject to that process. It is therefore the intention of commissioning officers to review grant payments to ensure they are strategically relevant to the directorate and explore

whether further savings can be made. All the reviews will be undertaken under the principles stated in the Leeds Compact and should it be necessary to withdraw any grant following the review process, this will be done in accordance with the terms of the Leeds Compact.

- 3.3 All organisations receiving grant payments this financial year will be subject to a relevant and proportionate monitoring process. Once the grants have been agreed, commissioning officers will work with Procurement and Commercial Service to ensure that grant agreements are in place and organisations are informed that a review process will take place during the financial year which could have implications for their funding.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The report has been discussed with the Executive Member for Health, Wellbeing and Adults prior to the decision being taken.
- 4.1.2 Once the decision has been taken, Adults and Health will inform the organisations receiving payment of the amount of the grant for the forthcoming year and the fact that no inflation will be paid. Should any issues arise with an organisation concerning the amount of grant which is payable, commissioning officers will work with that organisation to ensure the service can remain sustainable at the level of grant given.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality Impact Assessment Screening Tool has been completed for this report and is included as Appendix 2. Where any service has been decommissioned or contracts put in place following a review, a separate Equality Impact Assessment will have been undertaken for that particular service.

4.3 Council policies and the Best Council Plan

- 4.3.1 Services provided as part of the grant payments will contribute to the delivery of key outcomes within the Best Council Plan, specifically to improve the quality of life for our residents, particularly those who are vulnerable or are in poverty and will make a contribution to the Leeds Health and Well-Being Strategy and its priority to make Leeds the best city for health and well-being.

Climate Emergency

- 4.3.2 In March 2019 Leeds City Council unanimously declared a climate emergency. In response to this emergency the Council is working towards carbon neutrality by 2030. The plan to achieve this goal includes: reducing pollution and noise; improving air quality, and; promoting a less wasteful, low carbon economy.
- 4.3.3 As part of the grants award process commissioning officers will be raising awareness of the Council's climate emergency declaration and encouraging the organisations who will be receiving the grant to adopt greener working practices as and where possible.

4.4 Resources, procurement and value for money

4.4.1 All grant payments detailed in Appendix 1 are included within the Adults and Health budget for 2021/2022. The maximum total amount of the grants payable during 2021/2022 is £440,880.44.

4.5 Legal implications, access to information, and call-in

- 4.5.1 As the Council would be entering into grant arrangements with the named organisations, the Council will have no contractual control over enforcement of the terms. The only sanction available with grant payments is for the Council to claw-back grant monies unspent. However, this is balanced by the opportunity for creative approaches to be developed making use of the flexibility of the grant; and for added value to be obtained.
- 4.5.2 There is a risk of challenge that the grant payment is not a grant. Legally there is some confusion about when a grant can and cannot be used as there is a fine line between a grant (which is not caught by the procurement rules) and a contract for services (which is caught by the procurement rules). The preamble to EU Procurement Directive 2014/24/EU makes it clear at paragraph (4) that “the mere financing, in particular through grants, of an activity, which is frequently linked to the obligation to reimburse the amounts received where they are not used for the purposes intended, does not usually fall within the scope of the public procurement rules”.
- 4.5.3 Funding from which any grant payment is made must be designated as “grant” money. If the Council wish to make a grant, the money must be in the “grant” block. If it is not, it can normally be moved from other blocks in the Council budget into the grant block.
- 4.5.4 Awarding the grants to the named organisation in this way could leave the Council open to a potential claim from other providers, to whom this grant could be of interest, that it has not been wholly transparent. However the risk of this would appear to be low.
- 4.5.5 As this is a grant it is not subject to the council’s Contracts Procedure Rules or within the Public Contracts Regulations 2015 but good practice and transparency will be observed throughout.
- 4.5.6 There is no overriding legal obstacle preventing the award of the grants and the contents of this report should be noted. In making their final decision, the Director of Adults and Health should be satisfied that the course of action chosen represents best value for the Council.
- 4.5.7 This decision was placed on the list of forthcoming key decisions when the estimate value was above the £500k threshold however, the total value of the decision to be made is now below the Key decision threshold. The report does not contain any exempt of confidential information.

4.6 Risk management

4.6.1 There are no significant risks identified in making the decision recommended by this report.

5. Conclusions

- 5.1 The annual grant schedule continues to be reviewed, to ensure that the payments being made are strategically relevant, that performance of the organisations is monitored and demonstrated to be effective and that the Council is achieving best value for money.

6. Recommendations

- 6.1.1 The Director of Adults and Health is recommended to approve the payment of the third sector grants to the maximum amounts detailed in Appendix 1 for the financial year 2021/2022.
- 6.1.2 The Commissioning Manager Adults and Health will implement this decision directly after it has been taken, subject to the necessary clearance process being completed, by issuing relevant letters to the organisations informing them that their grant has been extended for a further year

7. Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

APPENDIX 1 – Schedule of Grant Payments 2021/2022

SUMMARY GRANT FEES

	2020/2021	2021/2022
Older People	£95,518.00	£82,464.00
Other Adults	£58,685.00	£48,185.00
Physical Impairment	£49,025.00	£32,525.00
Learning Disability	£291,505.06	£230,706.44
LD Day Service Transformation	£47,000.00	£47,000.00
TOTAL	£541,733.06	£440,880.44

OLDER PEOPLE			
Organisation	Funding 2020/21	Funding 2021/22	
Hamwattan	£30,069.00	£28,569.00	Reduction in funding for 2021/22 subject to approval of £3,000 reduction in grant funding (note part year effect of the reduction in 21/22 due to six month notice period)
Al Khidmat Centre	£12,000.00	£11,500.00	Reduction in funding for 2021/22 subject to approval of £1,000 reduction in grant funding (note part year effect of the reduction in 21/22 due to six month notice period)
Woodsey Kashmiri Elders	£11,050.00	£0	Funding ended 2020
Age UK Leeds	£42,399.00	£42,399.00	
TOTALS	£95,518.00	£82,464.00	
Other Adult Services			
Organisation	Funding 2020/21	Funding 2021/22	
LIP - Leeds Involved Project	£41,665.00	£41,665.00	
Pudsey CVS	£10,500.00	£0	This is an internal recharge for rent for the use of a Council building. Duplication of funding stopped in 2021/22 as

			we already support VAL to provide this
Prince Philip PHAB Club	£6,520.00	£6,520.00	
TOTALS	£58,685.00	£48,185.00	

Physical Impairment			
	Funding	Funding	
Organisation	2020/21	2021/22	
			This is an internal recharge for rent for the use of a Council building (Shireview which was funded by GDAB)
Guide Dogs Association for the Blind	£16,500.00	£0	
William Merritt Centre	£32,525.00	£32,525.00	
TOTALS	£49,025.00	£32,525.00	

Learning Disability			
	Funding	Funding	
Organisation	2020/21	2021/22	
Leeds Advocacy	£71,779.84	£71,779.84	
Connect in the North	£76,476.60	£76,476.60	
Pyramid of Arts	£20,798.62	£0	Funding ended in 2020/21
Leeds People First	£8,711.00	£8,711.00	
Meanwood Valley Urban Farm	£67,739.00	£67,739.00	
MENCAP Pathway Employment Service	£40,000.00	£0	Funding ended in 2020/21
Better Action for Families	£6,000.00	£6,000.00	
TOTALS	£291,505.06	£230,706.44	

Learning Disability Day Service Transformation Grants			
	Funding	Funding	
Organisation	2020/2021	2021/22	
SLATE	£37,000.00	£37,000.00	
Better Action for Families	£10,000.00	£10,000.00	
TOTALS	£47,000.00	£47,000.00	

