

Appendix 1

Foreshore Trust Grants Programme – recommended changes following discussion on 3rd Jan 2017

Issue	Options Considered	Proposed recommendations to Charity Committee
<p>Raising funding for applicant organisation A number of applications have been received that use the grants awarded to bring in funding to support the applicant organisations' core services. GAP has raised concerns about this, as this means that applicant organisations profit from the grants.</p>	<ul style="list-style-type: none"> • Allow applications for this type of activity • Exclude applications for this type of activity 	<p>Allow applicants for this type of activity as long as the event or project engages or raises people's awareness of 'good causes' for the benefit of residents in Hastings.</p>
<p>Events charging entrance fees The events grant programme guidance clearly states that events must be free; however the small grant guidance does not. As a result some small grant applications have not been recommended or approved, as the GAP has felt that this would mean that applicant organisations would profit from the grants.</p>	<ul style="list-style-type: none"> • Bring the small grants programme in line with the events grants • Allow both programmes to levy charges for events 	<p>Organisations may charge for events and activities where appropriate but this must be affordable to most residents, used only to recover the costs of the event or activity. Projections of the income from the charges will be the expected. However, free events and activities using FS grants are encouraged.</p>
<p>Charges for services or activities The small grant programme guidance does not state that services or activities must be free. However, the GAP has expressed concern any charges levied would mean that applicant organisations would profit from the grants.</p>	<ul style="list-style-type: none"> • Allow organisations to levy charges for services or activities • Include charges in the exclusion section of the guidance 	<p>As above</p>
<p>Sale of items funded from grants As with the previous three points the GAP has felt uncomfortable recommending grants where the applicant organisations would profit from the grants.</p>	<ul style="list-style-type: none"> • Allow applications that profit from the grants • Exclude applications that profit from the grants 	<p>As above</p>
<p>Purchase of small assets funded from grants The GAP has only funded purchases of small assets where the application clearly states what will happen to it or if it is going to belong to a very established organisation. However this needs to be clarified and clearly stated in the guidance.</p>	<ul style="list-style-type: none"> • Allow all applicants to purchase small assets with their grants • Allow applicants to purchase small assets with their grants if they can justify the purchase and clearly state what will happen to the items once the activity has finished • Exclude all small asset purchases from grant expenditure (purchase from matched funding acceptable) 	<p>Organisations may purchase small assets with their grants if they can justify the purchase for the benefit of the project and clearly state what will happen to the items once the activity has finished.</p>
<p>Funding trips and outings The GAP is always reticent about granting awards to organisations for taking members out and about. They</p>	<ul style="list-style-type: none"> • Allow applicants to bid for trips for members only • Allow applicants to bid for trips so long as an 	<p>Trips are unlikely to be funded from a member only organisation unless a clear need and social advantage can be shown which would be of benefit to as a wide</p>

<p>understand that for many of the members the days out are lifelines, however raise concerns about inclusivity as attendance on the trips are mostly restricted to members only.</p>	<p>agreed percentage of seats get filled by non-members</p> <ul style="list-style-type: none"> • Exclude all bids for trips from the programme 	<p>community as possible.</p>
<p>Funding for membership groups only There is a question as to whether the Foreshore Trust grant funding should be awarded if it is going to be used exclusively for a small membership only group.</p>	<ul style="list-style-type: none"> • Allow all applicants to bid for member or organisation beneficiaries grants • Request that an agreed percentage of participants are non-members • Exclude all bids for member only participation from the programme 	<p>Funding from exclusive membership groups will be considered if the applicant can demonstrate inclusivity, outreach and impact on the local community.</p>
<p>Number of beneficiaries supported Value for money is always discussed at the GAP meetings before recommending applications for funding. However, the small grant guidance does not state that the activities must reach as many people as possible. Often where the beneficiary numbers are low (FT530 for instance) this is because the level of intervention per beneficiary is necessarily intensive.</p>	<ul style="list-style-type: none"> • Allow applications for all levels of beneficiary support but ask applicant organisations to clearly state why numbers are low • Only allow applications that support high numbers of beneficiaries 	<p>Funding for all levels of beneficiary support will be considered where need and cost per beneficiary can be justified.</p>
<p>Supporting non-Borough residents Many applicant organisations based both in and out of the Borough have members that are resident both in and out of Hastings & St Leonards. The small grant guidance states that activities need to enhance the quality of local residents' lives and increase their involvement in the community. However it is difficult to fund some organisations and ask them to quantify that the grant awarded will benefit only Borough residents.</p>	<ul style="list-style-type: none"> • Allow all applications that support a mix of Borough and out of area residents • Allow a pre-agreed percentage of out of area residents • Exclude all applications that support a mix of Borough and out of area residents • Exclude all organisations not based in the Borough 	<p>Projects based in or outside of the borough are unlikely to be funded unless they can clearly show it is primarily for the benefit of Hastings residents.</p>
<p>Support for existing services The small grant guidance does not state that existing services will not be supported; however, there is a fine line between supporting this and whether this constitutes core costs.</p>	<ul style="list-style-type: none"> • Allow applications for services that are ongoing so long as the applicant clearly states why the funding is needed • Exclude applications for services that are ongoing 	<p>Applications for continuation of existing services is unlikely to be favoured unless need is clearly demonstrated, alternative funding sources explored and the long-term sustainability of service is addressed.</p>

<p>Core costs The small grants guidance clearly states that core costs will not be funded, however the only item listed is staffing costs (it is not made clear that additional hours can be funded) and is not inclusive; this needs to be reviewed both in respect of what can and cannot be funded. Another concern is the loss to the Borough of the many grant programmes, such as the CPF Small Grants programme, which was able to support core costs.</p>	<ul style="list-style-type: none"> • Allow all applications for core costs • Allow applications for core costs where it benefits the activity planned • Exclude all applications for core costs • Clarify what costs are classified as core if this is not to be funded • Clarify what staffing costs will be allowed and ask applicants to clearly state why they are integral to the activity to be funded 	<p>Core costs will be funded where it is clearly needed to support the activity and involves additional expenses.</p>
<p>Room costs This is linked to core costs above - the small grants guidance does not state that room hire in premises owned or leased by the applicant organisation is classed as a core cost and will not be funded.</p>	<ul style="list-style-type: none"> • Allow all applications that include room costs regardless of whether the premises are owned or leased by the applicant organisation • Allow applications that include room costs only if they are planning to hire them from someone else • Exclude all room costs from grant funded expenditure 	<p>Organisations can apply for room costs where they are planning to hire the facility from another organisation.</p>
<p>Salary costs The small grants guidance clearly states that staffing core costs will not be funded, however does not make clear that additional staffing hours can be funded. This needs clarifying in the guidance in respect of what does and does not constitute core staffing costs.</p>	<ul style="list-style-type: none"> • Clarify what staffing costs will be allowed and ask applicants to clearly state why they are integral to the activity to be funded 	<p>Salary costs will be funded where it is clearly needed to support the activity planned and additional to existing costs.</p>
<p>Statutorily funded activity The small grant guidance confirms that activity which would appear to be more appropriately funded by a statutory body will not be funded, however, does not clarify what that constitutes. The events grant guidance does not specify this – perhaps this needs to be included.</p>	<ul style="list-style-type: none"> • Allow all applications in both programmes where activity could be statutorily funded • Bring the events grant guidance in line with the small grants guidance in respect of statutorily funded activity • Clearly specify what could constitute statutorily funded activity 	<p>Applications for continuation of existing statutory services are unlikely to be funded unless a clear need is demonstrated and the long-term sustainability of the service is clearly addressed.</p>

<p>Organisations' financial reserves Many of the applicant organisations both funded and unfunded have had high reserves. We may need to clarify how we consider 'reserves'. Where there are high reserves it is often difficult for members to see why the organisation is requesting funding from the grant programmes. The Charity Commission recommends that charities should have a reserves policy, with three months of annual turnover being a common rule of thumb. Without knowing the turnover of any applicant for a grant it is difficult for the Panel to know whether the declared reserves appear excessive or not; i.e. in terms of their "worthiness" for a grant.</p>	<ul style="list-style-type: none"> • Allow all applications regardless of the levels of reserves • Put a cap on the levels of reserves • Allow high reserves if the applicant organisation clearly states why this is so or has a policy in place to cover it • Request 3-month turnover figures from applicant organisations • Ask applicants to provide figures on their annual turnover and reserves level. 	<p>All applications will be required to provide figures on their annual turnover and reserves level and provide statements of reasons where they are high.</p>
<p>Payments to individuals There has only been one application like FT524 where it seems more like a one-man-band than a group. However, a number of applications have been received, such as FT515, which include high salary costs being paid to individuals.</p>	<ul style="list-style-type: none"> • Allow applications from individuals so long as the purpose of the activity is charitable – in these cases a supporting organisation would be required to handle the grant process • Allow all applications where the majority of the grant is paid to an individual • Only allow a percentage of the grant (say 50%) to be paid to individuals with the remainder to be paid from matched funding • Exclude all salary costs 	<p>Application will only be considered where they are from an active constituted organisation. Individuals wishing to apply will need to work with existing local organisations to submit and oversee their application. All project costs will be considered as appropriate.</p>
<p>Payments to artists The GAP members have queried or challenged charges in applications for 'artists' etc. We could consider setting a reasonable rate for 'artists' and 'professionals' rather than argue it is too high.</p>	<ul style="list-style-type: none"> • Consider setting a reasonable capped rate for 'artists' and 'professionals' • Allow all artists rates regardless of costs • Only allow a percentage of the grant (say 50%) to be paid to artists with the remainder to be paid from matched funding 	<p>All project costs will be considered if they are needed, justified and appropriate to the purpose of the project.</p>

<p>Events on Foreshore land The events grant programme is currently limited to events on foreshore land only. If this were to be reviewed to include venues along the seafront road such as the Azur, St Mary in the Castle or the newly restored Hastings Pier this would mean that events would not always be subject to potential inclement weather, or if needing to be based indoors, have to be based at the Stade. This would also meet one of the requirements of the events grant programme, which is that of extending activity throughout the length of the Foreshore Trust seafront.</p>	<ul style="list-style-type: none"> • Only allow applications for events on Foreshore land • Allow applications for events that take place in venues on both sides of the seafront road • Allow applications for events taking place in the whole of the Borough 	<p>This issue will be considered by the Charity Committee further as and when appropriate.</p>
<p>Business start-up costs The small grant guidance makes no mention that Social Enterprises or Community Interest Companies with Charitable Status can be supported with start-up costs, or what is or is not constituted as core costs. This needs clarifying to avoid future confusion.</p>	<ul style="list-style-type: none"> • Allow all applications that request support for start-up costs regardless of what the grant would be used for or what type of organisation they are • Allow only applications for pre-agreed start-up costs regardless of what type of organisation they are • Allow only applications for pre-agreed start-up costs for charities only • Exclude start-up costs entirely 	<p>Start-up costs for any new organisations will not be considered for funding.</p>
<p>Business benefits There is a need to clarify business support – this is linked to Business start-up costs above.</p>	<ul style="list-style-type: none"> • Allow all applications that request support for business costs regardless of what the grant would be used for or what type of organisation they are • Allow only applications for pre-agreed business costs regardless of what type of organisation they are • Exclude business costs entirely – this will need to be fully specified in the guidance 	<p>Projects which are primarily for the benefit of local business are unlikely to be supported.</p>
<p>Repeat applications – same activities Many of the applicant organisations apply to both the events and small grant programmes for repeat events or activities, and only a small handful are mentioned here. Often the issue is that applicants are very good at writing bids and so their applications are assessed highly. In addition many are for very valued activities, services or events from organisation struggling with the loss of many of the Borough's grant programmes. However, the events programme receives applications that averagely total twice the available grant value and the small grants about three times – this means that</p>	<ul style="list-style-type: none"> • Allow applications for repeat activities for a limit of twice only • Allow applications for unique activities only • Allow unlimited applications for repeat activities 	<p>The Foreshore Trust is likely to favour bids from new applicants, if there is considered to be equal benefit to the local community, over activities that have previously received funding. This change will be detailed in the application guidance information.</p>

<p>not everyone can be funded and if grants are being awarded to repeat activities, this limits how much can be considered for the remaining new organisations and/or activities.</p>		
<p>Repeat applications – same organisation Again many of the applicant organisations apply to both the events and small grant programmes each year. There are many similarities with the previous issue of funding repeat activities, and in order for new organisations to stand a chance of being funded this may need reviewing.</p>	<ul style="list-style-type: none"> • Allow applications from the same organisations every other year • Allow applications from the same organisations for each round • Allow applications from the same organisations for each round but give priority to new organisations – this will need to clearly stated in the guidance 	<p>The Charity Committee and the Grant Advisory Panel will consider all applications on their merits. Applications from new organisations will be favoured if they similarly meet the priorities of the charity committee. This change will be detailed in the application guidance information.</p>
<p>Charitable activity – small grant programmes The small grant programme guidance does not specify what this means, and so applications have been received from organisations that may not meet this eligibility criteria.</p>	<ul style="list-style-type: none"> • Clarify in the small grant guidance what charitable activity means 	<p>The Small Grant Guidance identifies all the 9 priorities of the Charity committee. It is for the applicant to propose the many different ways of addressing these priorities.</p>
<p>Match funding requirements There is currently no requirement for applications to identify or apply for match funding, however, often approval conditions are imposed that match funding identified must be secure before any Foreshore grant can be released. In addition the process of the programmes opening to final approval are so long that it prevents organisations using the awarded Foreshore grants to apply for more matched funding to support any activities or events.</p>	<ul style="list-style-type: none"> • Make matched funding a requirement of the grant applications • Allow applications with no matched funding • Shorten the small and event grant programme timescales 	<p>Match funding is not required but clearly advantageous to an application. The Grant Advisory Panel will consider extension or changes to the timescales for the grant programme as and when possible.</p>
<p>Length of time to spend small grants Some of the applications for the small grants programme are for services that are planned to run over a year. Currently the grant period is fixed at 6 months with longer-term applicants needing to request permission from the GAP to extend their activity end-dates. It would be much better both for applicants and the programme administrator, as it would reduce the administration burden, to extend all grant expenditure to one year.</p>	<ul style="list-style-type: none"> • Continue with current 6-month timescale with longer-term activities needing to request permission • Extend the timescale for small grants from 6 months to one year 	<p>As above</p>