

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	28 November 2011
Title:	Corporate Grants Efficiency Workstream – Moving Forward
Reference:	3467
Report From:	Paul Archer, Assistant Chief Executive

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1. Executive Summary

- 1.1. The purpose of this paper is to update Cabinet on progress with implementing the corporate grants efficiency workstream outcome, specifically the development and implementation of an automated grants system for all grant streams including a uniform and streamlined e-application process which will result in a single and united approach to the management of grants.
- 1.2. A working group comprising senior officers from departments, supported by grants officers, has undertaken an in-depth analysis of the differing grant management arrangements and existing business practices and processes.
- 1.3. The specific aims and objectives of this group has been to streamline and improve the grants process from start to finish and in doing so, to develop a new e-grants application process that will improve the customer experience and improve the availability of timely and accurate management information for officers and Members. It is important to note that the changes being progressed leave grant governance arrangements and grant budgets for Members to continue to determine.
- 1.4. The new grants database and e-grants application process is being developed and should be complete early in the new calendar year to allow testing to be completed prior to implementation from 1 April 2012. The working group will ensure that resources are available for the manual input of grant application processes in respect of 2012/13 that happen between now and the financial year end.
- 1.5. Once implemented, the new grants arrangements including the vastly improved management information, ought to provide the right platform for the delivery of further cashable efficiencies and/or improved value for money in terms of outcomes derived from the very significant levels of grant support that the County Council presides over.

2. Contextual information

- 2.1. Grant expenditure was reviewed as part of Phase Three of the County Council's efficiency programme. Whilst budget savings were approved in different grant areas, largely reflecting 8% reductions to cash limits, the greater business need centred around transforming and modernising the existing grants business processes.
- 2.2. The County Council currently gives grants totalling £9.5 million annually across 25 different grant streams spread across Children's Services, Adult Services, Chief Executive's (including Member personal budgets), CCBS and ETE. Appendix 1 sets out the composition of grants on a departmental basis.
- 2.3. Currently, several grant application forms are in use, most of which request a plethora of different supplementary information/supporting documentation. This leads to an inconsistent and often overly bureaucratic approach across the organisation with some Members in particular concerned that the existing arrangements deter grass roots organisations from applying for smaller, but no less worthy projects as they do not have the resources to dedicate to the process. For the most part, the present systems are paper based.
- 2.4. The existing corporate grants database is no longer fit for purpose; is not universally used across the organisation and does not have the capability of producing the type of management reports that current business needs demand,. This has led to Member frustrations e.g. in terms of the lack of consistent and timely notification of grant awards concerning ward constituents or organisations and to departments developing their own databases and/or using other applications such as Excel spreadsheets to manage and support their grants function. This is not the most effective use of the organisation's resources and leads to duplication and double-handling of information.
- 2.5. Linked to this project is a specific grants review currently being undertaken by Culture, Communities and Business Services (CCBS) regarding their grants and future financial contributions to organisations. There are currently 11 grant streams within CCBS, 10 of which are within the portfolio of the Executive Member for Culture and Recreation. The review included a stakeholder consultation exercise that closed last month. It is expected that the consultation outcome will lead to the grant streams and the documentation requirements being streamlined in line with the corporate review.

3. Proposals

- 3.1. Bringing together corporate, departmental and Member requirements has been a complex, and at times, difficult task. The working group has worked diligently to better understand the current differing departmental arrangements and has applied appropriate challenge in order to assist in the design of a significantly streamlined application process.

- 3.2. The development of two new electronic application forms (one for grants below £1,000 and the other for grants of £1,000 and above) has focussed on consistency but with enough flexibility built in to support the gathering of information/documentation that individual departments have identified as business critical.
- 3.3. The revised approach better ensures that requests for supporting documentation are more consistent and proportionate to the size of the grant being applied for whilst still allowing grant officers to use their discretion if it is felt that further clarity or indeed additional information is required. Appendix 2 summarises the new streamlined thresholds for supporting documentation requests.
- 3.4. A more comprehensive approach to the gathering of equalities information has been accommodated in the development of the new application forms to meet the requirements of the new Equality Act 2010. Whilst on line applications will be promoted, equalities legislation will require us to make paper based application forms available.
- 3.5. The application forms also include a clear statement at the declaration section to allow us to best comply with new Best Value statutory guidance. The statement confirms that receipt of funding in any one year should not be taken as an expectation of further funding support via future grant applications.
- 3.6. Alongside the development of new electronic application forms, the working group, assisted by I.T, have been exploring the external IT market for a database product that could be integrated with the County Council's internal IT network and used for the retention of data and management reports. The group were not successful in locating such a product.
- 3.7. Consequently, the in-house I.T team have undertaken initial design and feasibility work and are now building a bespoke database that will be capable of responding to and meeting future business needs including different reporting requirements. The in-house database solution can be absorbed within the resources available for corporate I.T projects/initiatives and the development has been prioritised so that robust testing can be accommodated ahead of April 2012.
- 3.8. The e-application form and database developments will bring about the transformation and modernisation that is so necessarily required in the grants arena, giving rise to a whole host of benefits that will be derived from the proposed new arrangements including:
 - a modern corporate solution to the management of a wide and diverse range of grants made by the County Council to various partner organisations
 - the streamlining of current working practices and processes to ensure a joined up and consistent approach across the organisation
 - the provision of a corporate hub for grant applications and a significantly improved customer journey, especially in terms of accessibility

- new electronic application forms which will move us away from systems based on paper and have the capability to auto-populate a bespoke database
- an easy to use and effective search facility of all grant fields within the database
- a direct link to SAP to reduce current manual interventions regarding payment of grants
- a clear and robust audit trail for all grant applications
- a comprehensive range of management information/monitoring reports with the ability to capture a range of data to suit corporate (including Member) needs as well as those of individual departments
- an improved standing with external partners in the voluntary and community sector and other organisations who seek financial support via grants
- enhanced information/intelligence sharing across the grant officer network underpinned by a facility that will enable the database to track the progress of grant applications from start to finish.
- a very real opportunity to deliver cashable efficiencies e.g. by reducing in-house grant administration costs and an opportunity to improve overall value for money and/or reduce overall grant expenditure subject to Member views and priorities.

4. Timelines/next steps

- 4.1. As per paragraph 3.7, the database system development has been prioritised within the overall corporate I.T work programme and is being taken forward to be completed around the calendar year end.
- 4.2. Once developed, the new application process and database system will be fully tested before the scheduled 1st April 2012 'go live' date. During the last quarter of this financial year, application information relating to 2012/13 budgets, but administered/processed over the second half of this year, will be retrospectively added to the new system so that 2012/13 management information/reports is robust and comprehensive.
- 4.3. Departments, via the working group, Members and other key stakeholders e.g. the voluntary sector, will be fully involved in the e-application form and database testing and in the retrospective input of live grant applications relating to the new financial year. A communications programme will also be developed to ensure that every opportunity is taken for the business process changes to be communicated as widely and as thoroughly as possible.
- 4.4. The project is moving forward on the assumption that Members Devolved Grants (Personal Budgets - £8,000 each in the current year) are fully incorporated, that all applications in 2012/13 will be made via the new

application process and the associated management information will be held in the new database. Separately, it is proposed to exclude four grant streams (per appendix 1) from the scope of the new system. These include an invitation only process, two grant streams that are due to end this year and the rural delivery strategy budget.

5. Conclusion

- 5.1. The County Council is a major provider of grants. The proposed new database provides for an efficient and modern way of processing all grants and the databank of information will enable all live applications to be tracked across the organisation, including what they are for and the outcome of those applications.
- 5.2. The database will allow the organisation to be better aware of multiple applications by the same applicant and will allow, over time, for a comprehensive 'history' of grant support (and rejections) to be available at the push of a button.. Duplication and repetition of information from individual departments developing their own additional systems will be avoided and the new streamlined application process will significantly improve the customer experience.
- 5.3. The enhanced reporting arrangements will allow improved and timely management information to be available and accessible to all Members. This will particularly benefit local Members in terms of grant decisions that benefit their ward constituents or organisations
- 5.4. This project fits well with other corporate workstreams and initiatives e.g. our continuing work in relation to transparency, our business development work in terms of community involvement and improved partnership working with the voluntary and community sector, and also responds to recent legislative changes such as the Equality Act 2010.
- 5.5. Importantly, whilst the changes described in this report are complementary to the Council optimising it's use of resources and to modernising its business processes, existing grant governance arrangements and grant levels remain for Members to determine.

6. Recommendations

It is recommended that Cabinet:

- a) Note the current grant expenditure of £9.5 million and confirm that the grant streams proposed for inclusion (per appendix 1) in the new proposed streamlined system should indeed be included including Member personal budgets per paragraph 4.4.
- b) Note the development and implementation of an in-house built grants application system and database.
- c) Support the move to a new e-application process involving just two forms in support of grant applications below and above £1,000.
- d) Note that existing grant governance arrangements and budgets remain for Members to determine.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes/no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes/no
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes/no
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1.1. None assessed

2. Impact on Crime and Disorder:

2.1. None assessed

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

None assessed

b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

None assessed