

REPORT FOR DECISION



DECISION OF:	CABINET
DATE:	13TH DECEMBER 2017
SUBJECT:	OUTCOME OF CONSULTATION ON CLOSURE OF AGMA SECTION 48 GRANTS PROGRAMME
REPORT FROM:	The Leader, Councillor R Shori
CONTACT OFFICER:	JAYNE HAMMOND
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	To inform Council of the outcome of the consultation exercise into the proposed closure of the Greater Manchester Grants Scheme ("Section 48 Scheme"). This follows on from interim responses to consultation on that fund and on a new Greater Manchester Combined Authority (GMCA) Culture and Social Impact Fund submitted and agreed by the Combined Authority on 29 th September 2017.
OPTIONS & RECOMMENDED OPTION	<p>Cabinet is asked to:</p> <ul style="list-style-type: none"> i) close the Section 48 Scheme, noting it will be replaced by the GMCA Culture and Social Impact Fund. ii) Note the outcome and mitigating actions of the completed consultation on the proposed closure of the Section 48 grants programme.
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	The Council doesn't currently receive any s48 funding, so a review of the approach is welcomed, and may present opportunities for the future.
Health and Safety Implications	There are no health and safety implications
Statement by Executive Director of Resources (including Health and Safety Implications)	There are no wider resource implications
Equality/Diversity implications:	These are dealt with at paragraph 4 of this report.

Considered by Monitoring Officer:	Yes	
Wards Affected:	All	
Scrutiny Interest:		

TRACKING/PROCESS

DIRECTOR:

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Scrutiny Committee	Cabinet/Committee	Council	

1.0 BACKGROUND

- 1.1 The Greater Manchester Grants Scheme, established to support the voluntary sector, was one of several functions undertaken by the Association of Greater Manchester Authorities (AGMA) on the abolition of the Greater Manchester Council in March 1986. The Scheme is sometimes known as the Section 48 Scheme, referring to Section 48 of the Local Government Act 1985, which allowed a voluntary arrangement of districts in Metropolitan areas to give grants to non-statutory organisations, providing services of more than local significance relevant to that area.
- 1.2 In December 2016, a Joint GMCA and AGMA Executive Board agreed to undertake a consultation on the formal closure of the Section 48 Scheme/AGMA Grants programme and the development of a new funding programme for culture, under the GMCA. Priorities and criteria for the scheme have changed, but its core purpose, to support organisations to deliver cultural, social or community activity and services across the ten districts of GM, has remained. Between 2015/16 and 2017/18 AGMA invested £9.9m in the Grants programme.
- 1.3 A previous GMCA paper outlined the outcome of consultation into the creation of a new GMCA Culture and Social Impact Fund which closed on 16th September 2017. The creation of this new fund was agreed at GMCA and the call for projects was launched on Friday 6th October. The GMCA report attached as an appendix to this report provided interim results on the proposed closure of the AGMA Section 48 Scheme. The consultation closed on 20th September 2017. This report covers the final outcome of the consultation on the closure of the AGMA Section 48 Scheme.

2.0 CONSULTATION

- 2.1 In August, 2017, GMCA received approval from the 10 Greater Manchester districts to consult on the possible closure of the AGMA Section 48 Scheme. In September 2017, GMCA agreed potential criteria, subject to consultation, for a new Culture and Social Impact Scheme. As both the potential closure of Section 48 and a new GMCA fund are interlinked, both consultations were aligned and opened on 30 August 2017.
- 2.2 A targeted consultation process was followed and this communication was followed up by further targeted communication from GMCA, who also promoted

the survey through voluntary and third sector networks in Greater Manchester. Consultation took the form of an online questionnaire and four open events.

- 2.3 The online consultation was in two parts: a six week consultation for the closure of the AGMA Section 48 grants programme, ended on 20 September (20 responses received); and a four week consultation for the new Culture and Social Impact Programme, ending on 16 September (29 responses received).
- 2.4 In late August and early September 2017, GMCA officers also arranged and facilitated four consultation events in Wigan, Bolton, Oldham and Manchester giving attendees the opportunity to feedback in person on the proposals. Almost 50 people attended the events in total, a mixture of current recipients, cultural officers, GM Councillors and cultural and social impact organisations not currently in receipt of Section 48 funding. Additionally five email responses were received.
- 2.5 This report relates to the formal closure of the Section 48 Scheme only.

3.0 CONSULTATION RESPONSE – SECTION 48

- 3.1 Of the 20 online responses to the question "*what are your views on the proposed closure of Section 48 and the opening of a new GMCA-run culture and social impact fund*", 16 are supportive, stating that the move is sensible and welcome; three positive with reservations; and just one stating categorically that Section 48 should not close without wider consultation.
- 3.2 This general support was replicated in the consultation events, with the majority supportive of the closedown of Section 48 and a move to a GMCA Cultural and Social Impact Fund as long as transition was carefully handled and the impact of any change to the funding landscape is properly considered. Respondents asked that GMCA be mindful of the impact, on staff and participants to currently funded organisations if funding levels are reduced or not awarded under any new scheme.
- 3.3 Other responses focussed on the relative strengths and weaknesses of the existing fund and how delivery might be improved if the launch of a new fund was approved.
- 3.4 Respondents were largely happy with the Section 48 application form, noting improvement on the previous form. Several responses, both online and at events, noted that the application form could be quite off-putting for smaller, more diverse organisations who might not have capacity to collect and analyse data in the same way as larger organisations; and asked that in appraisal, the level of detail required should be proportionate to the level of funding requested.
- 3.5 When asked about the monitoring relationship, responses were mixed. Respondents overwhelmingly praised Manchester City Council monitoring officers, describing them as 'efficient, personable and supportive'. The level of detail required for monitoring purposes was less well-received, however, with one respondent stating that monitoring requirements could be 'daunting and inflexible'.

- 3.6 When asked about previous funding decisions, responses were again mixed, with some stating that 'the funding supports a strong cultural offer for the region and brings significant additional resource to Greater Manchester'. Other responses referenced the perceived lack of change in the portfolio, noting that 'the fund seems to go to the same recipients every time'. This tension, between protecting the current cultural infrastructure across GM and genuinely 'opening up' the new fund to new applicants, was particularly acute at the consultation events.
- 3.7 When asked about perceptions of the impact of Section 48 there was a general split between the views of current recipients and those not in receipt, both online and at the events. Those respondents in receipt of Section 48 grant, with a more in-depth understanding of the scheme were much more positive about the impact of the fund. Those not in receipt or connected in some way knew very little about activity funded by Section 48 indicating the need for much clearer, more regular communication about the excellent work funded across GM.
- 3.8 When asked what successful elements of Section 48 should be carried into the new fund, respondents noted the need for GM-wide impact across the portfolio. There was much discussion about the value in local delivery (across more than one district, but not necessarily across all ten) with general agreement that geography was one of the most important balancing criteria, but that depth of impact should be treated as equally important as breadth.
- 3.9 Consultation respondents were asked specifically about any equality and diversity implications to the proposed closure of Section 48. Both online and at the events, respondents noted the importance of diversity as a balancing criteria. There was also discussion about the need to bring smaller, more diverse organisations into the portfolio and the need to simplify the new GMCA Cultural and Social Impact Fund application process to allow this to happen.

4.0 CONSULTATION SUMMARY AND RESPONDING ACTIONS

- 4.1 There is general support for closure of the AGMA Section 48 Scheme, as long as it is replaced by a suitable alternative. Consultees considered the proposed GMCA Culture and Social Impact Programme to be a suitable alternative.
- 4.2 If closure of the Section 48 Scheme is recommended the impact of this closure will be largely dependent on the funding decisions made in relation to the new GMCA Culture and Social Impact Fund. Care has been taken to manage expectations but also to ensure the period to call for projects and application process are clear and transparent and that they address any concerns raised during the consultation process.
- 4.3 Consultees put forward a number of suggestions on process in order to identify the most successful elements of the Section 48 Scheme and changes to processes that do not work as well.

- 4.4 Consultation responses were closely considered in the drafting of the new Culture and Social Impact Fund application form and applicant guidance. These were then tested with potential applicants of various size, art-form and a mixture of current Section 48 recipients and potential applicants to the new GMCA fund. Feedback on these sessions was overwhelmingly positive, with many welcoming the opportunity to feed in at the development stage, noting the consultative nature of the process and feeding back positive comments on the new form and guidance.
- 4.5 The appraisal process was designed in tandem with the application form. The most important next step is to develop a balancing process that recognises the challenges within this process and empowers GMCA Leaders to deliver a funding portfolio that provides the greatest possible impact for residents across GM.
- 4.6 Project appraisal will be conducted using a simplified and updated scoring matrix similar to previous Section 48 scoring, amended to reflect the level of detail required during application proportionate to the funding amount requested.
- 4.7 There is no separate equality impact of the decision to close this scheme per se as it is being replaced by a similar scheme, and all current recipients/projects funded under the current scheme could potentially be funded under the new scheme (subject to funding decisions). Therefore an equality impact assessment will be undertaken as part of the decision making on funding with the new GMCA scheme.
- 4.8 A report will be submitted to December 2017's GMCA meeting to agree which applicants will be funded, to what scale and the grant fund monitoring costs.
- 4.9 Early in 2018, GMCA and MCC staff will work with the successful applicants to agree a programme of delivery to be reflected in the grant funding agreements.
- 4.10 A communication plan for the fund will be further developed for communication to successful and unsuccessful applicants. As part of this process, GMCA officers will investigate how to best support unsuccessful applicants, drafting a plan to manage implications of funding decisions.

5.0 RECOMMENDATIONS

- 5.1 The recommendations can be found at the start of this report.

List of Background Papers:

GMCA 29th September 2017 – GMCA Cultural Programme Consultation

Contact Details:

Jayne Hammond
Assistant Director - Legal & Democratic Services
Town Hall

Tel: 0161 2535518

Email: j.m.hammond@bury.gov.uk