

Environment, Communities and Fire Select Committee

7 February 2018 – At a meeting of the Select Committee held at 10.30am at County Hall, Chichester.

Present: Mr Barrett-Miles (Chairman)

Mr Baldwin	Mr McDonald	Mrs Purnell*
Mrs Bridges	Mr S Oakley	
Mrs Brunsdon	Mr Patel	
Mr Jones	Mr Purchase	

In attendance by invitation: Ms Kennard (Cabinet Member for Safer, Stronger Communities).

Apologies for absence were received from: Mr Oppler

Lt Cl Barton was absent

* Arrived at 10.45am

Declarations of Interest

207. In accordance with the Code of Conduct, the following interests were declared:

- Mr Jones as a Cabinet Member for Public Protection and Community Engagement at Crawley Borough Council and responsible for an element of grant distribution.
- Mr Purchase for making previous public comments on the call-in decision item outside of the Committee meeting.

Call-in

208. Dr Walsh introduced the request to call-in the decision by the Cabinet Member for Safer, Stronger Communities concerning the New Approach to Community Grant Funding-SC11 (17/18); (call-in request appended to the signed minutes) and highlighted the following points: -

- In his view, there had been little opportunity to discuss the decision, with no proper scrutiny carried out by members. There had been no sight of a programme of published criteria or comprehensive explanation of how the mechanism would work.
- He believed that there was a chance that more populist causes may win over those with greater need or merit, and that disadvantaged or economically deprived areas could lose out. He was also concerned that for those without online access, ability or awareness, it would be harder to access the funds.
- He would like to see a trial of the new system in place, in possibly 1 or 2 County Local Committee (CLC) areas, including 1 urban and 1 rural area;

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with an impact assessment carried out on smaller organisations before any major changes were made. He believed that without a transition period then the new system would not be subject to any stress testing, nor be able to be properly judged to be achieving policy objectives in accordance with the West Sussex Plan.

209. He asked the Cabinet Member to pause and rethink the decision and to consider the possibility of trial areas and impact assessments, along with wider community consultation on the issue.

210. *The Cabinet Member for Safer, Stronger Communities addressed the Committee, highlighting the following points:*

- *The proposed changes to funding were not to save money, but to maximise the benefits for the community. The aim was to be more community-focused and was a good opportunity for members to be engaged within their areas. There was no limit to the amount of money that projects could receive from the crowd funding model and even projects that may have had to be turned down for funding from the County Council in the past, if considered good, could be re-approached.*
- *The current CLC role would not be subject to change with the new proposals. Members can still receive reports from each area and support projects that fit the criteria. The majority of applications were already made on-line and for those without on-line access or awareness, support and services would be available from community officers and areas such as local libraries.*
- *She encouraged the Committee to visit the on-line crowdfunding websites to give them a better, overall picture.*

211. The Chairman read out written statements from the following CLC chairman: Mrs Duncton (North Chichester CLC), Mrs Urquhart (Joint Eastern Arun Area CLC), Mr Bradbury (Central and South Mid Sussex CLC), Mr Catchpole (North Horsham CLC) and Mr High (Worthing CLC), along with a statement from Rustington Parish Council.

212. The Committee made comments including those that follow. It:

- Welcomed the crowdfunding idea, but raised concerns over proper scrutiny of the process, whether due diligence had been carried out correctly and the potential for a reduction in the member role in the process. *The Cabinet Member for Safer, Stronger Communities advised that the decision was not taken lightly and that changes were needed due to the oversubscription of applications to funding programmes.* An officer advised that the practicalities wouldn't change and the member role would remain in terms of influence and involvement. Decisions would still be taken through the CLC's, with members continuing to be involved with Community Initiative Funding (CIF) and allocating funds accordingly. A thorough explanation of the process could be provided to the Committee and correct due diligence was currently being looked at by Finance, Legal and Democratic Services.
- Raised concerns over the possible alienation and discrimination of non-internet users, including certain sectors of the community such as the harder

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to reach and the elderly which made up a significant proportion of West Sussex's population. An officer advised that the current majority of the County Council's grant fund applicants were already familiar with internet use, with over 80% of applications on average being submitted on-line. Digital inclusion, such as library access ensured there was support available to help residents to submit applications online, where needed.

- Queried what savings would be achieved by switching to the new platform and raised concerns over any administration costs associated with the crowdfunding model such as support and software licenses; also whether cheaper in-house options had been explored. An officer advised that initial costs which would include licenses, support and additional training, would be £88,000 and be spread over a 3 year period. There would be on-going costs of around £22,000 a year to maintain a presence on the platform. It was possible to buy a 'build your own' white label site, but this didn't take into account any internal costs. The advantage of having a ready-made model was the momentum in terms of national partners, with local businesses and organisations already engaged. The entire back office would be managed through the platform, leading to the reduction of two posts in Communities Directorate, with resource being moved into more frontline support for community organisations.
- Raised concerns over control and accountability in the filtering process for submissions to the crowdfunding platform, how the criteria were set, and the need to ensure safeguards over data protection. An officer advised that data protection clauses would be written into the contract. Criteria for funds would be a matter for the County Council to determine.
- Raised concerns over risks that the County Council could be expected to match fund, the potential for cross subsidising between districts and queried the opportunities to attract key partners for joint funding such as district and borough councils and whether any of them had yet to express an interest. *The Cabinet Member for Safer, Stronger Communities advised that there was no expectation for match funding currently, and this wouldn't change.* An officer advised that dialogue had taken place with district and borough councils, with one currently ready to join the platform. No other partners had been approached yet, but informal conversations had taken place. So far there was no indication that the idea wouldn't be welcomed. Pre-events with CLC's were taking place in the next few months, and the message had been put out to parish and town councils to help create awareness.
- Suggested that transitional arrangements, especially in areas of deprivation, or a trial period in 1 urban and 1 rural area should be considered. An officer advised that the possibility of a trial period and progressing in some CLC areas was investigated, but could prove expensive, as the cost of crowdfunding was the same across the board no matter how many CLC's were involved.

213. *The Cabinet Member for Safer, Stronger Communities summed up by commenting that: -*

214. *She believed that adopting the crowdfunding model was an exciting and new way to support communities and promote local project ideas. It would enable*

resources to go further, including skills and equipment as well as actual funding; and give a valuable insight into what residents wanted in their communities. It was also important for members to engage and she was looking forward to making this project work.

215. Dr Walsh summed up by commenting that: -

216. In his view, the answers given by officers and the Cabinet Member were seen as aspirational rather than evidence based. In his experience, corporate businesses had not been forthcoming with other sponsorships, so he was concerned that they wouldn't be willing to support this idea.

217. He also believed that the administration savings had not been clearly quantified and that a proper business case for the proposals was needed which included costs, savings, risks and advantages; as well as a proper impact assessment across both small and large communities. He suggested that it would be sensible to split crowdfunding from Members Big Society areas and maintain CIF directly under CLC control, as a way forward to test the waters.

218. Mr Barrett-Miles made the following proposal, seconded by Mrs Brunsdon, which the Committee considered: -

219. That the Cabinet Member for Stronger, Safer Communities does not implement the decision until the Committee has had an opportunity to scrutinise the proposal more fully, including evidence provided by Spacehive and other local authorities that have already followed this route.

220. A vote was held and the proposal was carried.

221. Resolved that: The Committee does not support decision SC11 (17/18) - New Approach to Community Grant Funding, with a request that: -

222. The Cabinet Member for Stronger, Safer Communities does not implement the decision until the Committee has had an opportunity to scrutinise the proposal more fully, including evidence provided by Spacehive and other local authorities that have already followed this route.

223. The following two alternative options were suggested by the Chairman: -

1. That the proposed scheme is first trialled in two areas – perhaps in an urban area and a rural area, where one or the other is a recognised area of deprivation.
2. Because of the concern over grants for small organisations, that the existing CIF system be retained for grants under, say, £2,000, and the Spacehive approach be introduced for requests greater than this, for a trial period.

Date of the Next Meeting

224. The Committee noted that the next scheduled meeting will be held on 16 March 2018 at 10.30am.

The meeting ended at 12.43pm

Chairman.