

Committee(s)	Dated:
Culture, Heritage and Libraries	14/05/2018
Subject: Inspiring London through Culture – Revision of Criteria and Processes	Public
Report of: Peter Lisley, Assistant Town Clerk and Culture Mile Director	For Decision
Report author: Nick Bodger, Head of Cultural and Visitor Development	

Summary

This report seeks to inform Members of the decision in March 2018 of the Resource Allocation Sub-Committee and Policy and Resources Committee to support the implementation of the Central Grants Unit on a permanent basis from the 1 April 2018 and of the uplift of £30,496 awarded to the *Inspiring London through Culture* grant theme's 2018/19 grant pot (from £52,837 to £83,333).

The report also seeks approval for some minor amendments to the theme's awarding criteria; most notably, for the maximum grant threshold to be raised from £7,500 to £10,000, and from £10,000 to £15,000 for awards made in exceptional circumstances.

To align the *Inspiring London Through Culture* grant theme with other themes in the Central Grants Programme and with City Bridge Trust practice for grants of £10,000 or less, the report also seeks delegated authority for the Assistant Town Clerk and Culture Mile Director to be able to approve all grants of £10,000 or less in consultation with the Chairman and Deputy Chairman of the Culture, Heritage and Libraries Committee (who would be invited to sit on the grants assessment panel), with grants over this threshold (should the amendments to the criteria be accepted) and any applications that the Assistant Town Clerk and Culture Mile Director deems contentious being referred to Committee as is current practice.

This recommendation is driven by a need to align themes, deliver a consistency of approach across City Corporation grant-making and ensure that the end user – the grant applicant – has the best experience, with grant decisions being communicated swiftly so enabling the applicant to plan better and make more effective use of the support offered.

Recommendation(s)

Members are asked to:

- Note the uplift of £30,496 to the *Inspiring London through Culture* grant pot for the 2018/19 financial year;

- Approve the amendments to the Inspiring London through Culture eligibility criteria as tracked in appendix 1; and
- Delegate grant decisions for awards of £10,000 or less to the Assistant Town Clerk and Culture Mile Director in consultation with the Chairman and Deputy Chairman of the Culture, Heritage and Libraries Committee.

Main Report

Background

1. In March 2016, your Resource Allocation Sub-Committee and Policy and Resources Committee received a report outlining the work undertaken to implement the recommendations of the Service Based Review (SBR) in relation to grant-making.
2. The aim of the review was to:
 - a. increase the strategic impact of such giving
 - b. ensure that grants are managed with greater efficiency and effectiveness
 - c. improve the consistency and quality of the customer experience to deliver reputational benefits
3. The report recommended a consolidated Central Grants Programme (CGP) be implemented and that the Culture, Heritage and Libraries Committee be appointed to approve grants falling under the *Inspiring London through Culture* theme of the programme.
4. To manage the Central Grants Programme effectively, a new Central Grants Unit (CGU) was piloted to manage all grant applications, monitoring and evaluating processes and Committee reporting procedures.
5. It was agreed that the Unit should be co-located within City Bridge Trust (CBT) to facilitate consistency of approach and harmonise service standards. The Chief Grants Officer, whose responsibility includes the grant-making activities of the Trust, maintains an overview of the Unit, with relevant input from the Head of Charity and Social Investment Finance within the Chamberlain's Department.
6. The Finance Grants Oversight and Performance Sub Committee are tasked with scrutinising the effective implementation of the programme.

Current Position

7. In September 2017, consultants Rocket Science were commissioned by the Central Grants Unit to undertake an evaluation of the 2-year pilot and review the programme overall, its processes and its decision-making structures. The evaluator spoke with Members, principal officers that lead the grant assessment panels and City Bridge Trust officers that oversee the Central Grants Unit.

8. The key findings of this work are outlined below:
 - a. Outsourcing to the Unit, overseen by the CBT has been worthwhile, bringing transparency, grant-making expertise and professionalism to the process;
 - b. The process that has been put in place, though bringing clear benefits, is resource-intensive for the level of funding involved;
 - c. A more consistent approach to Members' involvement would be beneficial to improve efficiency;
 - d. The budget available is not clear to many of those involved; and
 - e. If the CGP were retained, a longer-term, more strategic view should be determined.
9. This independent evaluation also highlighted that the *Inspiring London through Culture* theme was less effective than other programmes. This resulted from a questionnaire given to principal officers working on the assessment panel rather than any a wider context or analysis and is now confirmed as having been solely due to the Head of Cultural and Visitor Development scoring two statements very lowly and declining to answer a third (which others answered). These statements were:
 - a. The Central Grants Programme is targeting the projects/beneficiaries that it was set up to support.
 - b. We are able to support the type of projects that fit with our department's strategy
 - c. The new criteria sufficiently capture the original purpose of the bequests which were amalgamated in order to form this grant programme.
10. The Head of Cultural and Visitor Development marked 9a and 9b at 1 (other themes were marked between 3 and 7) because the new eligibility criteria across all themes had meant that grants for Thames Festival Trust (Totally Thames) and Spitalfields Music amongst others could not be renewed at the same level. Acutely aware of the reliance of these organisations on this funding and of the value of these organisations to the cultural and visitor strategies (and hence the department), he reflected this in his scoring. He declined to score item c because it was not relevant to the theme (others scored this between 5 and 6). The result was that the *Inspiring London through Culture* theme was shown as much less effective than other themes.
11. Contrary to this assessment, the Senior Grants Officer has confirmed that the *Inspiring London through Culture* theme is the best performing based on interest, grants awarded and management of its officer panel. This was reported to the Finance Grants Oversight and Performance Sub-Committee of the Finance Committee on the 10 April 2018.
12. With reference to the efficiency of the Central Grants Programme (item 8c above), Members are asked to note that the *Enjoying Green Spaces* and *Stronger Communities* themes of the Programme delegate grant decisions to officers in consultation with the Chairman and Deputy Chairman of their respective committees. Similarly, decisions regarding City Bridge Trust grants of £10,000 or less are made by officers, reporting to Members for information.

13. This accords with best practice for low-value awards and saves on resource (the preparation of papers for Committee) as well as time, meaning grant applicants hear decisions much sooner and so can plan more effectively (a grant decision can be communicated to an applicant around 5-7 weeks earlier if not considered by a committee).
14. Time is particularly important when applicants need to apply for a change of use for awards – as was the case in April this year when the City Music Foundation requested to amend their original proposal (considered by your Committee in March) due to circumstances beyond their control. In this case, officers had to prepare reports under urgency to meet with a very tight deadline (the project could not have been realised if the decision waited for Committee). This process – although only a matter of days – was resource intensive and could potentially have impacted negatively on the project.
15. In March 2018 the Resource Allocation Sub-Committee and Policy and Resources Committee met and agreed to support the implementation of the Central Grants Unit on a permanent basis from the 1 April 2018; at the same time, the grant pot for the *Inspiring London through Culture* grant theme was uplifted by £30,496 to £83,333. £15,758 was not committed in 2017/18 and will be carried forward subject to the standard year-end approval process by the Chairman of Finance and the Chairman of Policy and Resources. If carry forward is approved the total budget will be £99,091 for the year. Additional funds may be made available to the programme during the year if other carry forwards are agreed. Further information about this will be reported to committee in July.

Proposals

16. Aligned with the findings of the independent assessment as outlined in item 8, your officers have reviewed the criteria for the *Inspiring London through Culture* theme of the Central Grants Programme and recommend a number of minor updates to make processes more efficient and to ensure that the current criteria is fit for purpose. The revised criteria are outlined at Appendix 1. Any approved changes will be launched at the beginning of August once the current application deadline comes to an end in July.
17. The only substantial change is to increase the maximum award from £7,500 to £10,000 with up to £15,000 considered in exceptional circumstances. This recommendation is based on 18 months' experience of running the programme and soliciting feedback from grant applicants. The current thresholds were set on the basis that the theme sought to deliver enabling grants only (and not fully fund projects) and so with a lower threshold, more projects could be supported, and the benefit spread more widely. Since inception however, these thresholds have proven prohibitive as they do not support applicants in a robust enough way to underpin a project and/or drive investment from other sources.
18. It is also proposed that authority be delegated to the Assistant Town Clerk and Culture Mile Director to approve all grants of £10,000 or less in consultation with your Chairman and Deputy Chairman. It is suggested that this may be done by

inviting both to sit on the officer grant assessment panel (as is the practice with the City Arts Initiative).

19. Applications for grants over £10,000 (in exceptional circumstances) and those that Assistant Town Clerk and Culture Mile Director, and/or Chairman and Deputy Chairman consider may be contentious – it is recommended – are deferred to your Committee in the usual way.
20. This recommendation is made to align the *Inspiring London through Culture* grant theme with others in the Central Grants Programme and with the grant-making practice of the City Corporation more widely, in particular its City Bridge Trust. It is anticipated that such a move will reduce the strain on resources, deliver decisions to applicants sooner (saving weeks of waiting) and so generate positive perceptions of the City Corporation's grant-making activities.
21. In the 18 months that the officers have been making grant recommendations to your Committee, only one has been questioned by Members (Amos Trust, March 2018). In this instance, the assessment panel had flagged the application and referred it to the Director of Communications and more robust evidence of the checks and balances within the project was received before it was presented to your Committee. Under the newly-recommended structure, such an application would still be referred to your Committee for consideration.

Corporate & Strategic Implications

22. In the City Corporation's Cultural Strategy 2018/22, one of seven values to be cited is that "We seek to be joined up, agile, experimental and generous in our approach as a catalyst and convener at the forefront of cultural, economic and social change". The proposals in this report help us to do just that.

Implications

23. Although the most popular under the Central Grants Programme, the *Inspiring London through Culture* grant theme was underspent last year by £15,758. With an uplift to the grant pot of £30,496, and the fact that not all applications apply for the maximum award, the raised levels for grant giving are considered affordable. Furthermore, it is anticipated that they will have a far greater impact at this raised level and so give greater resonance for the City's cultural offer and its beneficiaries overall.
24. For the Central Grants Unit to establish consistent approaches across its programmes and to reduce the administrative burden on officers, it is important to ensure decision-making processes are aligned. This report seeks to ensure the *Inspiring London through Culture* grant theme uses the same best practice principles as all grant-making programmes under the City Corporation banner by putting low-value grant decisions in the hands of officers.
25. Applicants will experience a quicker and more efficient decision-making process as a result of the proposed changes.

Conclusion

26. The *Inspiring London through Culture* grant theme of the Central Grants Programme is the most popular and – arguably – the most effective of all themes. It is, however, unaligned with best practice principles for grant-decision-making and constrained by the level of grants it can award.
27. The recommendations in this report – to delegate grant decisions to the Assistant Town Clerk and Culture Mile Director in consultation with your Chairman and Deputy Chairman, and to raise the maximum level of awards to £10,000 – seek to address these issues and improve upon an already well-performing grant operation.
28. The referral of grant applications above £10,000 and of those applications officers consider contentious in any way, will help to safeguard the integrity of the theme and enable Members to direct business as unusual in regard to the programme.

Appendices

- Appendix 1 – Revised Criteria for the Inspiring London through Culture programme (tracked)

Nick Bodger

Head of Cultural and Visitor Development

T: 020 7332 3263

E: Nick.Bodger@cityoflondon.gov.uk