

Management Committee

6th March 2018

Funding for voluntary sector organisations in Weymouth & Portland

For Decision

Portfolio Holder:

Cllr Richard Kosior – Tourism, Culture & Harbour

Cllr Kate Wheller – Community Facilities

Cllr Christine James – Social Inclusion

Senior Leadership Team Contact:

M Hamilton, Strategic Director

Report Author:

T. Hurley, Leisure Commissioning Manager

J. Nicklen, Community Planning & Development Manager

Statutory Authority

Localism Act 2011 – ‘general power of competence’.

Purpose of Report

1. To present to the committee proposals for the award of grants to voluntary sector organisations.

Officer Recommendations

2. That Management Committee:
 - a) awards a grant of £4,125 per annum to Portland Museum Trust in order to help the Trust meet cost of the rent charged by the council for the Portland Museum premises in Wakeham, Portland, for up to a 4-year period from 1 April 2018 and that any such grant be the subject of a grant agreement;
 - b) awards a grant of £5,000 per annum to Weymouth Angling Society in order to help the Society meet the cost of the rent charged by the council for The Angling Centre, Commercial Road, Weymouth for up to a 4-year period from 1 April 2018 and that any such grant be the subject of a grant agreement;
 - c) awards a grant to the Islanders Club for Young People in order to help the Club meet the cost of the rent to be charged by the council for the Club’s premises at East Weare Road, Portland, for up to a 4-year

period from 1 April 2018 and that any such grant be the subject of a grant agreement;

- d) gives delegated authority to the Strategic Director, in consultation with the relevant briefholder, to agree the terms of the grant agreements with any of the above organisations to which the committee agrees to award a grant;
- e) agrees that any grant awards shall be subject to the potential formation of a Weymouth Town Council and devolution of finances as part of local government re-organisation and any grant agreements must include provisions to respond to these events.

Reason for Decision

3. To enable the council to consider the following specific requests for grants to subsidise the rent to be charged:
 - Portland Museum Trust – a grant of approximately £4,125 per annum from April 2018 which is equivalent to 100% of the rent due annually.
 - Weymouth Angling Society – a grant of £5,000 per annum to assist the Society meet the rent due on the property of £11,000.
 - Islanders Club for Young People – a grant of £2,250 per annum from April 2018 which is equivalent to 100% of the rent due annually.
4. To provide continued support to the Portland Museum Trust and contribute to the sustainability of its operation in the long-term.
5. To respond to the request from both the Weymouth Angling Society and the Islanders Club for Young People for financial assistance to mitigate the implications of rent due.
6. To enable any grant agreements to be sufficiently flexible to accommodate local government reorganisation and allow either the transfer of the agreements to a new local authority or their termination if insufficient resources are available to meet the cost of the grants.

Background and Reason Decision Needed

7. The requests set out in this report fall within the remit of the council's revised *Discretionary Grants, Loans and Subsidies Policy* adopted in July 2017. To assist the committee in its consideration, each of the three requests received has been assessed against the most relevant sections of the Policy.
8. The three organisations that are the subject of this report each lease their premises from the borough council. In accordance with the lease arrangements for each property, the council's Property service has reviewed the rent from April 2014 onwards and in all cases there will be an increase in the amount charged to reflect market rates.
9. Although the *Discretionary Grants, Loans and Subsidies Policy* excludes leases, it does allow for the award of grants to offset rent due. It is not

proposed to amend the leases for the three properties that are the subject of this report or to charge anything other than a market rent. It is, however, proposed that the council responds to the request from each organisation for financial support in order to ease the burden of the rent to be charged given their financial circumstances.

10. The council does not have a grants budget that is applicable to museums, sports clubs or community organisations. Any 'grant' that is awarded to offset rent is, therefore, income foregone rather than an additional cost to the council.

a) Portland Museum

11. Portland Museum can be considered to comprise two elements:
 - the museum collection and documentary archive;
 - the listed buildings (Avice's Cottage) and land in Wakeham, Portland.
12. The museum was run by the council until 2008 when the collection was transferred to the newly created Portland Museum Trust and the building and site leased to the Trust for a 25-year period (a full repairing lease). If the Trust were to fail, then the premises would return to the council but, as there is no reversion clause in the transfer agreement, the collection would be dispersed in accordance with best practice. In addition, the council would be responsible for a small pension liability for the staff that were transferred (under TUPE) in 2008.
13. In 2008, the council entered into a six-year service level agreement with the Trust which set out the council's expectations as to the level of service to be provided to the community in return for grant aid of £120,000 over the first four years of the agreement. In addition, the council agreed a 100% subsidy of the rent on the premises for the duration of the agreement (i.e. until March 2014).
14. The lease provides for a rent review on the 6th (April 2014) and every subsequent 5th anniversary from its commencement in April 2008.
15. The council meets regularly with the Trust in order to monitor progress against the targets set out in the service level agreement. It is clear that the museum has been very well managed by the Trust with improvements to the display of its collection, a new website and, as a result, excellent feedback from visitors. Although the trust has yet to reach a break-even position with regards to its finances (it made a small operation loss in 2017 of £3,095), it has managed the council's initial grant prudently and still has reserves of £50,202. This money is be used both to balance the Trust's accounts and as match funding in order to attract grants to improve the displays and repair the listed building.
16. It is in the interest of the council, therefore, to ensure that the Portland Museum Trust remains viable in the long-term.

17. In 2014, the council awarded the Trust a grant of £5,000 to cover the entire cost of rent due on the property – this was awarded for a four year period, until March 2018.
18. The Trust has now requested that this grant be renewed for another four years from April 2018 and it is recommended that this be agreed.
19. Those requirements of the *Discretionary Grants, Loans and Subsidies Policy* that are the most relevant to this request are as follows:

Discretionary Grants, Loans and Subsidies Policy – most relevant requirements	Officer assessment of Portland Museum Trust’s application
The applicant must demonstrate a clear link to at least one corporate objective and one evidence-based community priorities.	The trust’s activities contribute to Corporate Plan priorities: <i>Empowering thriving and inclusive communities</i> and community priorities: <i>Supporting our Young People</i> and <i>Supporting Health & Wellbeing</i> .
Applicants must demonstrate how the grant will benefit the residents of Weymouth & Portland.	The trust’s stated aims are to advance education through the curation of the museum collection for the benefit the residents of Portland. The Trust also provides a range of volunteering opportunities.
Applications will not be considered from organisations intending to support or oppose any particular political party or to discriminate against any section of the local, national or international community.	The Trust’s operations are not in contravention of this requirement.
Applications will <u>not normally</u> be considered from organisations operated primarily to make a profit or surplus as a business to make a profit or a surplus.	The trust has established financial reserves in order to ensure its stability and to ensure its can meet its obligations – this is in accordance with Charity Commission guidance.

b) Weymouth Angling Society

20. The Weymouth Angling Society leases from the council a building known as the Angling Centre on Commercial Road. Following negotiations with Property Services, a rent of £11,000 p.a. has been agreed.
21. The Society’s accounts for 2016-17 indicate that last year it had a surplus of £3,337 after meeting all its costs. In addition, the club states that it currently has £29,236 in savings.

22. The club uses the building for a number of angling events and other sports activities (darts, pool and cribbage). It hosts monthly meetings of the Dorchester & District Angling Club and the Weymouth Harbour Skippers Association and several angling competitions throughout the year which attract visitors from across the country. In addition, the building is used on a weekly basis by a variety of community groups including Westham Senior Citizens, Age Concern and Dorset Abilities.
23. The Society has requested, therefore, an annual grant to offset the rent of £11,000. Under the current grant agreement, the council awards a grant of £5,000 p.a. leaving the Society to pay the remainder of the rent (£6,000), and the Society has requested that this grant arrangement continue.
24. Those requirements of the *Discretionary Grants, Loans and Subsidies Policy* that are the most relevant to this request are as follows:

Discretionary Grants, Loans and Subsidies Policy – most relevant requirements	Officer assessment of Weymouth Angling Society’s application
The applicant must demonstrate a clear link to at least one corporate objective and one evidence-based community priority.	The proposed performance will contribute to Corporate Plan priority <i>Empowering thriving and inclusive communities</i> , and to community priority <i>Supporting our Young People</i> .
Applicants must demonstrate how the grant will benefit the residents of Weymouth & Portland.	The Society maintains the building as its headquarters and makes it available a range of local groups.
Applications will not be considered from organisations intending to support or oppose any particular political party or to discriminate against any section of the local, national or international community.	Not applicable
Applications will <u>not normally</u> be considered from organisations operated as a business to make a profit or surplus.	The Society has accumulated funds of £29,236.
Applications will <u>not normally</u> be considered from organisations operated primarily to make a profit or surplus as a business to make a profit or a surplus.	The Society has requested a grant of £5,000 per annum to subsidise its rent. A formal grant agreement will be required as the threshold for officer delegation under the Grants, Loans and Subsidies Policy is £2,000.

c) Islanders Club for Young People

25. The Islanders Club for Young People (previously known as the Boys Club) is a registered charity (no. 271221) and is open to young people on a

regular basis. It also provides a meeting venue for local clubs and groups including Portland Rocks and the Portland Majorettes. The club now has plans to extend the range of its activities to provide support to other residents particularly those on the East Weare estate.

26. The club operates with only very limited financial support from Dorset County Council to cover caretaking costs. In the last financial year, the Club had an income of £9,023 and expenses totaling £10,302 – the deficit was met from its cash funds, leaving reserves of only £7,127. The Club currently pays a rent of £1 per annum and states that it cannot afford to pay the proposed increased rent of £2,250 per annum, particularly as it still retains responsibility for the repair and maintenance of the building. The council has offered the Club a 21-year lease.
27. Those requirements of the *Discretionary Grants, Loans and Subsidies Policy* that are the most relevant to this request are as follows:

Discretionary Grants, Loans and Subsidies Policy – most relevant requirements	Officer assessment of Islander’s Club for Young People application
The applicant must demonstrate a clear link to at least one corporate objective and one evidence-based community priority.	The proposed performance will contribute to Corporate Plan priority <i>Empowering thriving and inclusive communities</i> , and to community priority <i>Supporting our Young People</i> .
Applicants must demonstrate how the grant will benefit the residents of Weymouth & Portland.	By supporting the operation of the Club, the council will assist the operation of a community facility and the provision of affordable activities for local residents on Portland.
Applications will not be considered from organisations intending to support or oppose any particular political party or to discriminate against any section of the local, national or international community.	Not applicable.
Applications will <u>not normally</u> be considered from organisations operated as a business to make a profit or surplus.	The Club is a registered charity and does not aim to generate any significant surplus from its activities (apart from that needed to meeting its obligations as a tenant).
Applications will <u>not normally</u> be considered from organisations operated primarily to make a profit or surplus as a business to make a profit or a surplus.	The Club has requested an annual grant to cover rent (£2,250) for the duration of a formal grant agreement. This will be required as the threshold for officer delegation under the Grants, Loans and Subsidies Policy is £2,000.

Implications

28. **Corporate Plan.** *Empowering Thriving and Inclusive Communities.*
29. **Financial.** The council does not have a grants budget that can be applied to these requests and they can, therefore, only be accommodated by foregoing rental income via a grant. Formal grant agreements will be required as the threshold for officer delegation under the Grants, Loans and Subsidies Policy is £2,000.
30. However, local government reorganisation will result in the need to transfer the property assets mentioned in this report to a new or different council. If this is the case then the council receiving the freehold of these premises will need to consider whether or not it can afford to provide annual grants. The three voluntary sector organisations that are the subject of this report will need, therefore, to be consulted on the future of these property assets following local government reorganisation.
31. **Equalities.** The sustainable long-term operation of Portland Museum will contribute to ensuring equality of access to cultural activities and volunteering opportunities for the community of Portland. The services provided by the Islanders Club for Young People offer affordable activities for young people. The Weymouth Angling Society has made efforts to improve disabled access to its premises and allows access to a range of community groups (such as senior forums).
32. **Economic Development.** Portland Museum, in particular, is a visitor attraction and contributes to the local economy. In addition, the Angling Society hosts three competitions each year for the European Federation of Sea Anglers and thereby attracts overseas visitors to the borough.
33. **Risk Management (including Health & Safety).** The most significant risks that the council faces, in terms of both finance and reputation, would be if the Portland Museum Trust were to fail, resulting in the dispersal of the collection and return of the listed building to council control. Any reasonable steps that the council can take to assist the Trust in moving towards a position of long-term sustainability will help to mitigate these risks.

Consultation and Engagement

34. Consultation has been undertaken with the briefholders for community facilities and for culture.

Appendices

35. None.

Background Papers

36. Annual accounts provided by each organisation requesting a grant.

Discretionary Grants, Loans and Subsidies Policy adopted by Weymouth & Portland Borough Council in July 2017.

Footnote

37. Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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