WARD BUDGET PROGRAMME REVIEW - THE CASE FOR CHANGE

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City of Westminster

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Executive Summary

This report presents a review of the Ward Budget Programme that has consisted of desk-based research, discussions with other local authorities and quantitative and qualitative analysis through surveys and focus groups. It is clear from the evidence that stakeholders value the programme to improve the lives of Westminster residents. However, the programme was last scrutinised in 2014 and there is a case to be made about how this programme meets Councillors' expectations and Westminster's voluntary and community sector needs in 2022 and beyond.

This report sets out ideas for reform in the short-term (pre-May 2022) and the long-term (post-May 2022). Short-term actions include:

- The implementation of a wide-reaching strategy to **promote and celebrate** the programme; and
- **Streamlining the process** through clearer guidance and closer Councillor awareness of projects.

Proposals for long-term reform include:

- **Paying funds upfront** to organisations rather than in arrears, changes to the size of the budget pot and improved clarity over funding criteria;
- **Re-branding** the programme through a name and process change;
- The introduction of application **'themes'** and an **online portal** for stakeholders to review applications;

This report seeks to obtain the views of the Policy and Scrutiny Committee and the Cabinet Member for Communities and Regeneration by June 2021 with the intention of presenting a further report towards the end of 2021 with a draft of what a revised programme might look like. It is suggested that a final report be presented in March 2022, with any changes for implementation to be made after the local elections in May 2022.

Background

The Ward Budget Programme was established in November 2007 under the council's Neighbourhood Programme. From 2008 to 2010 a pilot scheme was run, with each ward receiving £100,000 per annum to allocate to address local issues and priorities, drawing on their local knowledge and resident engagement through Area Forums.

The programme officially began in the 2010-2014 electoral cycle with £50,000 per annum being awarded to each ward. This was reduced to the current amount of £46,000 per annum in January 2011.

At the end of the 2010–2014 cycle, any unspent funds were placed back into the Council's reserves, whilst at the end of the 2014–2018 cycle the Leader, at the time, decided to establish the MyWestminster Fund for the reserves, which amounted to approximately £500,000.

To date, across the whole programme almost £12 million has been spent on over 2,000 projects.

Data Analysis

This graph demonstrates an overall decline in funding committed to ward budget projects since the programme began, by 55%.

The evidence suggests that for the current 2018-2022 electoral cycle, spend and the number of projects funded will not reach the levels of previous years, despite one year remaining in the electoral cycle.

Funds Committed per Year (City Total)
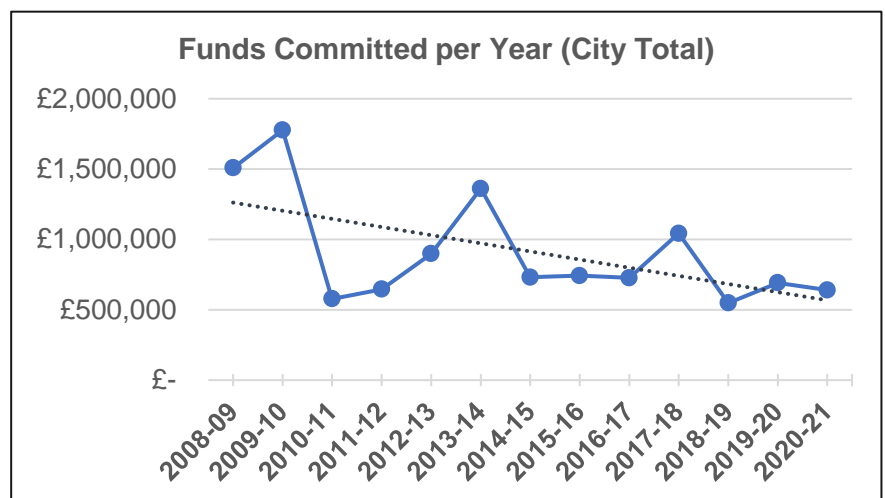
Further, research shows that there has been a steady decline in the number of projects benefiting from ward budget funding, by 38.5% since 2010. The average amount committed to projects has steadily increased, for single as well as multi-ward (joint) projects, which suggests a higher spend on a lower amount of projects,.

Spend levels are therefore on a negative trajectory which demonstrates that there is scope for the programme to be reformed and communicated to a wider audience.

Please see Appendix B for more information on this analysis.

Focus Groups and Surveys

Online focus groups took place between 25 January and 5 February 2021, with both Councillors and community organisations, who have been involved in the ward budget process. In total, fourteen Councillors and twenty representatives from organisations, who had received ward budget funding participated.

The focus groups ran with support from the Research and Insight team to ensure independence and quality of data. The workshops used a SWOT analysis (strengths, weaknesses, opportunities and threats) model to collect and organise ideas for the

purpose of this report. Additionally, surveys were sent to all Councillors and over 100 organisations who have applied for funding over the last 3-4 years.

Councillor Feedback

Overall, Councillors supported the programme, agreeing that it empowers community leadership, does a great deal of good for residents to meet local needs and that it can be lifeline for small groups during difficult times. Councillors generally agreed that funding is accessible, with relative ease, for applicants and they found it simple to identify different activities and determine the different levels of finance required whilst still allowing for a high degree of creativity.

Many Councillors highlighted the importance of transparency and providing good value for money for residents whilst outlining the need to ensure that all organisations, big or small, are given an opportunity to pitch their projects. They felt that organisations should continue to be supported from a cross-collaborative team of Councillors and officers but the experience of finding projects to fund varied across the wards.

The majority of respondents to the survey, of which there were 21, answered positively to how they felt the scheme operated overall on a scale of 1 to 10 – with an average of **7.1**.

Four common themes were highlighted from the focus groups and surveys:
- Promotion
- Councillor project involvement
- Application process and funding
- Relationship with officers

Promotion

There was a general feeling amongst Councillors that more should be done to advertise and promote the programme. This would encourage more applications to come forward rather than relying on Councillors seeking out ideas for funding or by word of mouth.

A majority of respondents to the survey answered 'No' to '*Do you think the Ward Budget Programme is sufficiently promoted and communicated to local communities in Westminster?*'.

It was suggested that promotion could be improved through, for example, the Westminster Reporter including case studies and application details, the schools' bulletin, local newsletters, amenity society communications, ward surgeries, targeted emails to local organisations, bulletins and end-of-year events.

Other ideas put forward included holding open sessions on the programme for residents and organisations and promoting through the Open Forums. It was felt that there should be clearer signposting on the website and Councillors would benefit from information on charities and organisations in their wards to help enable them to seek out funding opportunities. It was felt that the City for All pillars should be advertised widely if we are asking that projects line up with these.

Councillors asked for more case studies to be provided to encourage best practice and it was mentioned that the scheme should be promoted with more ward-focussed branding.

Councillor project involvement

Councillors noted that they would like to be more involved with the follow-up phase of projects and suggested introducing a quarterly progress or end-of-project evaluation report, including sharing the outcomes of projects with photos, feedback from applicants and information on the impact of the project.

Councillors wanted to be more aware of projects in order to celebrate successes, which would aid in promoting the programme, as they often lose track of projects once they have been approved.

Closer Councillor involvement with regards to in-depth monitoring and attending applicant events was also raised.

Application Process and Funding

Some Councillors felt the process is skewed towards applicants who are more experienced in applying for grants. One respondent felt that the process was a 'tick-box' exercise that has drifted from its initial scope where Councillors would have control of what comes forward; they feel it has now become a 'free-for-all'.

In the discussions Councillors raised that it is not always feasible for smaller organisations to pay upfront for projects and that they would instead benefit from a partial or complete upfront payment of funds, in contrast to the current system which pays in arrears. Further, it was felt that the system does not always handle joint ward projects well, due to their complexity.

There was also a feeling from Councillors that the application form could be simplified and there should be a question added which reads: 'is there another group that delivers a project similar to yours?' and requiring further details of dates/times of events planned. Further points discussed included:

➢ Smaller, disparate groups can be marginalised from the process due to not having a formal structure and leadership and would benefit from representatives to bring together resident concerns to reduce duplication and

streamline community benefit. The COVID-19 pandemic is a good example of this happening.

➢ Organisations should be discouraged from relying on the pot as a source of funding.

➢ There was concern regarding split wards and party politics interfering with the process and a general call to consider all applications objectively regardless of political persuasion.

➢ Councillors were generally happy to take a leadership role to drive projects forward in their wards that they know intricately but there is scope to be more proactive.

➢ Themes to encourage applications on certain topics could be considered, such as air quality or obesity.

➢ A suggestion to allow residents to vote or influence the funding of community projects at community events. This is similar to the structures being developed at other councils. Please see Appendix C for an assessment of case studies at other London Boroughs.

Relationship with officers

In the survey, 52% of Councillors answered 'No' when asked if there was anything Councillors needed to assist them in reviewing applications, suggesting a mixed response to the effectiveness of officer support.

The general view was that officers are a valuable tool when it comes to exercising objective judgement for contentious proposals, acting as the point of contact for organisations to ensure anonymity if applications are rejected and getting answers to questions Councillors have from applicants. It is therefore important both parties are synchronised. However, it was noted that further officer scrutiny over applications and monitoring is required for quality control and that organisations would benefit from greater clarity and guidance over parameters of what they can bid for.

A request for detailed guidance on conflicts of interest was made and that there could be further officer input with regards to funding allocation advice for applications spanning ward boundaries. There was a suggestion that officers should prompt Councillors to scout out potential applicants early on in the electoral cycle, should offer advice when presenting applications and share more information with regards to recently approved budgets.

Community Organisation Feedback

Overall, community organisations felt that the programme offers a valuable and flexible opportunity to fund capital and revenue projects for the community with very few restrictions compared to alternative means of funding.

In the survey, of which there were 52 responses, the majority answered positively to how easy they felt the ward budget application process was, how easy the

information on the website and application form was to understand and how easy the monitoring process was on a scale of 1 to 10 – an average of **7.13, 7.73 and 7.37** respectively.

There was a **54%/46%** split in favour of seeing further changes to the programme and **65%** answered 'Yes' when asked if the programme was sufficiently promoted to local communities in Westminster. It must be noted that the circulation of the survey tied in with the rollout of the new online application form which had previously been a presented as a Word form.

There were six common themes to come out of the focus groups and surveys.:
- Website and Application Process
- Funding
- Promotion
- Relationship with officers
- Councillor involvement
- Monitoring

<u>Website and Application Process</u>

Some organisations felt the forms and website were self-explanatory, had clear criteria for what could be funded, had good guidance and relevant questions related to grant applications. The new form and website were commended for being streamlined and simpler, but some less digitally-able would welcome continued access to paper forms. **83%** answered 'No' in the survey when asked if they encountered problems completing the application form, however responses were mixed in terms of its simplicity and the process time for an application.

Some respondents noted the clear decision timescales, speedy replies and valuable support from officers and Councillors alike.

However, some respondents believed the system to be bureaucratic, constrained to a stereotypical project and that the application form included irrelevant and repetitious questions. One respondent commented that they had to get into the 'local government mindset' to complete the form. Some felt there was a lack of simple guidance on how to complete the form which has led to time-consuming follow-up questions. It was raised that changes in officer contacts for the team has caused some confusion in the past and that a dedicated contact for each project would be preferred.

The organisations felt that it would be helpful to have clearer Council spending priorities, possibly linked to City for All, so that applicants could match their projects against these.

In terms of joint ward projects, it was felt that there can sometimes be complications which mean that it cannot only be time-consuming to gain approvals, but not

knowing the addresses of attendees, to ensure an accurate resident benefit in advance, can delay claims. Points were raised regarding clarity of eligibility criteria to ensure this is consistent across all wards and there should be clearer guidance on how frequently organisations can apply for funding.

Funding

A widely expressed view was that smaller organisations struggle with payments made in arrears. Further, the process of receiving funding can be bureaucratic and daunting for smaller organisations not experienced in applying for grant funding. One focus group participant felt that organisations had to prove they did not need the funds to get the funds, which is not how the programme should run. Organisations felt that they would benefit from having more knowledge of what has (and has not) been funded in Westminster as a whole and there was concern over an inconsistent approach with match funding being requested by some wards but not others.

Promotion

Some respondents only found out about the scheme by word-of-mouth arguing that the scheme is not as well publicised as it ought to be for smaller organisations. They felt that the Council needed to be more proactive, even though this would lead to increased competition for funds. The ideas put forward were similar to the ones raised by Councillors, but some further suggestions for promotion included:

- OneWestminster and Young Westminster Foundation newsletters.
- Libraries, free press, adverts on WCC website and social media publicity directed at charities.
- Better annual reports of grants awarded available on the WCC website and regular updates of website case studies.

Councillor involvement

Organisations felt it was paramount that Councillors react swiftly to applications so that they can plan effectively and not be in a position of financial uncertainty. Experiences with decision turnaround times varied, ranging from weeks to months for them to be communicated depending on the ward or project. Clearer and more rigid deadlines would therefore ensure better accountability. Further, more involvement from Councillors in terms of project feedback would be welcome as organisations felt it was valuable to keep them engaged with the output of a project to build effective relationships.

Monitoring

Respondents noted that it was clear what monitoring information was required, that the process was straightforward, and that it acts as a beneficial exercise in helping organisations plan their projects. Some felt the process gets easier with time and

officer support and although the evidence required is thoroughly scrutinised, this is to be expected in return for receiving public money. In the survey, the majority of respondents answered positively to how easy they felt the monitoring process was on a scale of 1 to 10 – with an average of **7.37.**

However, some did feel the process was bureaucratic and fiddly for new applicants. Some smaller organisations struggle to provide the level of monitoring necessary, arguing that it is not proportionate to the amount of funding received, and officer staffing changes have led to differences in the level of scrutiny and lost information, leading to duplication. If changes to a project are required this could cause delays if extra approvals are necessary, so some flexibility should be applied. Sometimes, monitoring is hard to acquire depending on the project, such as a live event, so it is not always clear what is acceptable.

Some felt there was room for improvement in terms of closer scrutiny of project outcomes, feedback from the Council in terms of how money is spent and summary reports at the end of projects which may streamline returning applications.

Recommendations

Short-Term changes (pre-May 2022)

➢ ***Promotion and celebration***

It is clear from the research that there is an issue with awareness of the programme. Not only is underspend on a negative trajectory, Councillors and organisations alike felt the scheme could be better promoted to enable more organisations to have the opportunity to access funding to support local residents and to encourage healthy competition of funds to reduce over-reliance.

In addition to the recent webpage update which now includes clearer information, guidance and testimonials which will be updated regularly, officers will implement the following proactive plan to boost awareness of the programme:

- Regular adverts and case studies in the Westminster Reporter and community newsletters such as OneWestminster.
- A targeted social media and email campaign directed at schools, charities, amenity societies and other community organisations to promote the process and when funding has been awarded.
- Adverts in libraries, ward surgeries and the free press.
- The holding of year-end celebratory events, open sessions and focus groups for residents and organisations where the scheme can be discussed and to take advantage of increased community engagement.
- Better annual reports of grants awarded available on the website.

- Regular officer prompts to Councillors to scout out applications early on in the electoral cycle.
- A requirement for organisations to acknowledge support from the scheme in all their project communications, as per Croydon Council's approach (as noted in Appendix C).
- Case studies in the Member Bulletin to provide Councillors with new ideas for funding opportunities that may be available in their wards.
- Feeding back outcomes of projects and sharing dates of events to Councillors to encourage participation and foster engagement with communities.

➢ ***Streamlining the process***

To date, officers have added a monthly update of projects to the weekly Member Bulletin to share examples, revised the terms and conditions for funding, devised better guidance for applicants and designed a more concise project proposal form in order for Councillors to decide on applications. In order to support Councillors further, officers will do the following:

- Develop clear guidance on conflicts of interest (where a Councillor is involved with an organisation making an application) and what organisations can and cannot bid for.
- Provide more input with regards to joint ward applications and give advice when presenting applications to Councillors.
- Sharing monitoring forms (completed by organisations at the end of their projects) with Councillors so they can be engaged in monitoring project success more closely.
- Carry out further scrutiny over applications through monitoring reports to ensure projects will succeed. An additional question ''is there another group that delivers a project similar to yours?' will be added to the application form.
- Provide Councillors with information on charities and organisations in their wards which can be used to proactively seek out funding opportunities.

For organisations, officers will do the following:
- Devise a more detailed 'step-by-step' FAQ focused on model answers for questions on the application form to ensure new applicants and those less digitally-able are not put off by the perceived demands of the form.
- Develop a clearer and more rigid decision-making timeline of deadlines to ensure applications are dealt with promptly by both officers and Councillors and that there is clearer accountability.

- **Criteria for funding –** The scheme is designed to be accessible to organisations, and Councillors have flexibility in terms of what they can approve. This approach is supported by organisations, however there is scope to tighten the criteria for funding to ensure fairness and consistency across all wards. For-profit organisations are currently allowed to apply, subject to their projects benefiting local residents. However, there is the

possibility of tightening the guidance for organisations on what can be funded to make it clear that not-for-profit organisations will be given first priority for funding pots.

Further, any restrictions on how many times organisations can apply should be detailed in any guidance produced. Inconsistent approaches to match funding was also raised by some organisations. However, this request ties in with the autonomous nature of the programme for councillors but the guidance could be clearer.

Future Programme Goals (post-May 2022)

Based on the evidence provided, this paper concludes by suggesting more widespread changes to the programme:

- **Paying funds upfront** – It was generally felt that smaller organisations struggle with the current system of all payments being made in arrears. Based on the case studies considered in Appendix C, it is more common than not for local authorities to provide all or a partial payment of funds upfront to support organisations in the delivery of their initiatives.

  This change could have a beneficial impact in terms of the reach the programme has by encouraging smaller organisations, especially those who have been hit hard by the COVID-19 pandemic, to come forward and deliver beneficial projects for the Westminster community. It would also encourage healthy competition for funds provided for by the programme. The requirement on organisations to provide suitable monitoring would still be in place.

- **Size of the budget pot** – Evidence clearly shows that there has been a gradual decline in the amount of money spent and the numbers of projects supported through the programme. As mentioned, there is scope for further promotion which could alleviate the underspend. However, with the data as it is at present, the amounts available to wards could be amended in the following ways:

    i. Annual amounts provided by the pot for Councillors are reduced overall with the rollover process, across the electoral cycle, remaining.
    ii. Budgets at the start of the electoral cycle remain the same, however if wards have not spent their initial allocations by the end of the first financial year, they are not automatically granted a further £46,000, rather, a proportioned amount.
    iii. Funds do not roll over, so £46,000 (or a lower amount) is available each year, regardless of spend in previous years. This would

reduce the evidenced larger spend in the final year of the electoral cycle and would encourage an ongoing commitment to the programme. Unspent funds would be allocated to Council reserves, at the end of each year.

These models could act as incentives for wards to proactively allocate their funds in the period granted if there was a risk that the money would not be available in future years.

- **Themes for applications** – Themes based on Westminster priorities, such as air quality or greening, could be set and advertised to organisations applying for ward budget funds. This would enable local issues to be dealt with by targeted projects.

- **Re-naming the programme** – As part of a re-branding exercise to illustrate that this pot is for Councillors to spend on projects they deem suitable to improves the lives of residents, the programme could be re-named to something more direct in what it is for, for example, the Councillor Community Fund or Ward Community Fund. The examples of RBKC, Richmond and Southwark demonstrate the variety in what this funding pot can be called so it is punchy and clear.

- **Interactive online system** – An ambition of the programme involves facilitating an online system which provides interactive information to organisations on past and present projects funded by the scheme across Westminster using maps, ward-specific budget breakdowns and remaining allocations and an integrated system which allows for the live tracking of applications and councillor approvals. This would empower Councillors to plan, make the programme more transparent and streamline the application process, especially with regards to multi-ward applications which are seen to complicate the current system.