



## Sandwell Metropolitan Borough Council

### Review of Sandwell Council's Funding of the Voluntary and Community Sector

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## 1. Executive Summary

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- 1.1 Upon reviewing Sandwell's procedures and processes associated with grant funding and commissioning of the local voluntary and community sector (VCS), it is apparent that improvements could be made in administrative efficiency, fostering stronger sector relationships, and optimising funding allocation.
- 1.2 In Year 2022/23, the Council allocated £11,371,040 to the voluntary sector. This total was distributed across different funding sources, timelines, and council directorates. This funding aligns with various goals outlined in the Council's corporate plan, supporting a range of community initiatives and services.
- 1.3 Funding is allocated to the voluntary sector through three primary methods: an application process, recurring grants, and direct awards. The application process allows organisations to submit proposals that meet specific criteria, often aligning with council priorities. Recurring grants provide ongoing support to established organisations for essential services or proven programmes. Direct awards are given in cases where specific expertise is needed or when immediate funding is required, bypassing the competitive process to address urgent community needs. This system balances structured funding opportunities with the flexibility to address emerging priorities.
- 1.4 Funding is primarily managed by Sandwell Council, though the Council also provides grants to organisations such as the Sandwell Council of Voluntary Organisations (SCVO) and Sandwell Consortium to administer funding on its behalf. These organisations play a key role in distributing funds across the community.

- 1.5 As part of the review, Trueman Change engaged with the voluntary and community sector (VCS) through multiple methods, including surveys, focus groups, and one-on-one interviews. Feedback from these interactions indicated that most respondents perceive the funding process across Sandwell be fair and transparent. This diverse engagement approach provided valuable insights into sector opinions and allowed for a thorough understanding of the VCS's experiences and perspectives on the current funding system.
- 1.6 Sandwell Council is preparing to implement a new Grant Management System which will reduce administrative burdens on the Voluntary Sector Grants Team (VSGT) while enhancing accountability for commissioners and budget holders. This system aims to streamline grant processes by automating key functions and providing more efficient tracking and reporting tools, allowing team members to focus on higher-impact work. By shifting more responsibility to commissioners and budget holders, the system will also ensure that grant oversight is more thorough and aligned with the Council's objectives, ultimately improving grant administration and resource allocation.
- 1.7 In addition, Trueman Change highlighted the following key themes as part of the review:
- 1.7.1 Approximately 24% of all VCS grants awarded have been recurring for over 10 years, accounting for £3.8 million or 33% of the total annual funding. Several of these grants are longstanding, historical awards that have not been subject to corporate scrutiny for many years. Grant recipients follow a much more stringent monitoring process than those undergoing the formal application procedure, with monitoring visits largely undertaken by commissioning officers.

- 1.7.2 Out of the £11,371,040 allocated to 269 organisations, £5,658,480 (50%) was awarded to the top ten organisations, which collectively received a total of 57 grants from the Council. Across Sandwell, there is increasing concern about the duplication of services, as numerous organisations offer overlapping services to similar demographics. Capacity restrictions within Council teams have resulted in a lack of clarity regarding where these duplications occur. For instance, evidence indicates that multiple organisations located within half a mile of each other provide advice services targeting the same communities.
- 1.7.3 Duplication has also occurred due to internal functions operating in silos, with commissioners often unaware of each other's commissioning activities. This lack of coordination has sometimes led to overlapping efforts, such as multiple holiday activities scheduled in the same park.
- 1.7.4 Certain Council teams, such as the Welfare Rights Team, are providing similar services to those delivered by commissioned organisations, often at a significantly lower cost.
- 1.7.5 The Council currently allocates £2,271,286 in funding to the Sandwell Consortium and the Sandwell Council of Voluntary Organisations (SCVO) to manage grants on its behalf. This is a substantial investment and the Council should consider from a Value for Money perspective whether these grant administration services should and indeed be brought back in-house to Sandwell Council. This shift would enhance control over the funding process, improve accountability, and streamline operations, potentially leading to more efficient use of resources and better alignment with the Council's strategic priorities.

1.7.6 Given the previous historic leadership issues within the Council, its relationship with the VCS requires further work to increase confidence on both sides. Our work has highlighted a pressing need to rebuild and strengthen these ties. Feedback from VCS organisations suggests that trust and collaboration have diminished, leading to a sense of disconnect between the Council and community groups.

1.8 A summary of recommendations includes:

Issue	Recommendation
Application Process	1. With the rollout of the new grant management system within Oracle Fusion, and to create greater capacity within the Voluntary Sector Grants Team, it is recommended that a proportionate sample of VCS organisations receive an annual site visit. This approach will strengthen monitoring practices and promote consistency across each grant.
	2. Commissioners and the Voluntary Sector Grant Team should implement a tiered monitoring approach based on grant size, providing additional oversight for higher-funded grants compared to those with lower funding. This will ensure that resources are focused on projects with larger financial impact, allowing for a more effective and risk-adjusted monitoring process.
	3. The Voluntary Sector Grants team to implement and conduct training for all commissioners, outlining the required processes to be followed when tendering grants.
	4. A thorough review of the CIL funding monitoring process as part of the launch of a new neighbourhood working model is recommended to address these concerns.
	5. That the Council's Internal Audit function be deployed to forensically review performance of organisations in receipt of large grants.
	6. The Council should adopt and publish corporate principles aligned to the Council Plan 2024-2027 and Vision 2030, which should be applied to future decisions in respect of grant funding:

	<ul style="list-style-type: none"> <li>• Auto-renewals and direct awards for organisations should be scrapped</li> <li>• Grants of over £150k to be commissioned via contract</li> <li>• Grants below £150k to be awarded according to the existing corporate grant funding process</li> <li>• Standardisation of grant period/duration to provide stability and certainty to the Council and the sector</li> <li>• Equality Impact Assessment to be undertaken in all commissioning or grant funding processes and when considering decommissioning too</li> <li>• Where organisations have been unsuccessful in application for a grant</li> </ul> <p>7. The Council should begin the change process described above with organisations in receipt of large and multiple grants.</p>
Administration Costs could be reduced	<p>8. Once the grant management system is fully operational, a comprehensive review of the SCVO and Sandwell Consortium grants for management and administration should be undertaken to assess whether these grants can be managed internally. This transition could potentially lead to significant cost savings annually of over £237,397 for the Council.</p> <p>9. Subject to a review of capacity of the Council's Welfare Rights Team, a detailed review of the current advice services funded by the Council should identify overlaps and areas for consolidation with a view to making savings on the General Fund and other budgets.</p> <p>10. That an administrative fee of £5,000 be applied to the administration of externally funded grants by the Voluntary Sector Grants Team to ensure that the Council is not further subsidising the cost of grant administration.</p>
Reduce Spend on Long Term (10 Year+) Arrangements	<p>11. Conduct an in-depth analysis of each of the top 10 organisation's costs in relation to the funding received from the Council.</p> <p>12. Immediately remove the autorenewals process with all organisations required to apply for their grant annually.</p>

<p>There Is Duplication in Funding of Some Activities</p>	<p>13. Conduct a mapping exercise to identify the locations served by each service, highlighting potential overlaps and areas for collaboration.</p> <p>14. A thorough review of the auditing process for the Welfare Rights Team is essential, focusing on how concerns are raised and shared.</p> <p>15. The Council should establish a small budget to be realised from savings identified from this review to use as 'seed funding' for groups and organisations supporting new and emerging communities in Sandwell.</p>
<p>Current Capacity of the Voluntary Sector Grants Team &amp; the New Role of The Team</p>	<p>16. The Council should designate a Strategic Lead Officer for the Voluntary and Community Sector to continue and enhance relationships with infrastructure bodies and other VCS organisations.</p> <p>17. The Council should consider an ongoing training and development programme for the VSGT as its role evolves following future changes arising from this review.</p> <p>18. The Council should consider how commissioners and the VSGT can work together to lever in more external funding to support the VCS in order to reduce pressures on the Council's General Fund Revenue Budget</p>
<p>Relationships between VCS Organisations and the Council could be clarified.</p>	<p>19. The Council hosts an annual VCS Conference to showcase what the sector and the Council have achieved together, which can be built upon the existing annual reports.</p> <p>20. Information on the Council's website to be reviewed to provide support to new organisations within the area.</p>





## 2. Introduction / Background

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- 2.1 The Sandwell Community and Voluntary Sector (VCS) plays a crucial role in supporting local communities by delivering a wide range of services and initiatives. These include offering advice, training, and funding opportunities for community groups and charities in the borough. The sector focuses on improving quality of life through social inclusion, addressing health inequalities, and promoting volunteering. Sandwell VCS helps empower local organisations by providing a platform for collaboration, resource sharing, and advocacy, ensuring that voluntary groups can effectively meet the needs of residents.
- 2.2 In August 2024, Sandwell Metropolitan Borough Council commissioned Trueman Change to independently review the funding provided to voluntary and community sector organisations in the borough. This review was an integral part of aligning the council's activities with the strategic goals outlined in the 2024-2027 Council Plan and supporting the Medium-Term Financial Strategy.
- 2.3 The review included an extensive document and data review of current grants, engaging with key stakeholders, including grant recipients and rejected applicants, as well as council commissioners and senior management, through surveys, focus groups, and one-on-one meetings.
- 2.4 The engagement process provided detailed insights into the perspectives and experiences of the voluntary and community sector, including the effectiveness of current funding mechanisms.
- 2.5 This inclusive approach enabled Sandwell Council to hear from VCS Organisations and get their viewpoint on how the sector has evolved in recent years, their experiences with the infrastructure and grant support services, and what the future focus should be.

### Engagement



107 Survey Responses



15 attendees at focus group



23 individual interviews

### 3. Key Findings

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- 3.1 In 2023/24, Sandwell Council administered 269 grants to the Sandwell Voluntary and Community Sector. These grants totalled £11,371,040.
- 3.2 The grants were awarded by the following processes:
- 3.2.1 **Application Process.** This process allowed VCS organisations to apply for grants that were directly funded by the Council. A significant portion, representing **55%** of the total grants, was distributed through this method.
  - 3.2.2 **Direct Award / One Off.** This type of grant was awarded directly to an organisation when they were the sole applicant or the only organisation capable of delivering the required activity. This accounted for **20%** of the total grants awarded.
  - 3.2.3 **Recurring.** These grants have been awarded to the same organisation for over 10 years. The organisation is not required to reapply; they simply need to complete an annual report, after which the funds are renewed. This method represents **25%** of the total grants awarded.
- 3.3 The value of grants awarded varies significantly, ranging from as little as **£490** to over **£510,000** per year. The majority of grants (49%) are under **£20,000**.
- 3.4 The duration of the grants varied, ranging from **2 months** to **36 months**. The majority of total number of grants (42%) were awarded for a period of **12 months**. This equated to £4,021,097.
- 3.5 The majority of grants were led from the Children and Education directorate (33%).

Directorate	Percentage of total grants
Children and Education	33%
Housing (Place)	21%
Public Health	16%
Borough Economy (Place)	12%
Adult Social Care	12%
Resources	6%

3.6 Approximately 41% of grants originating from the **Children and Education Directorate** were for the **Holiday Activities Fund**, with funding durations typically lasting up to **2 months**. This aligns with the objectives of the Holiday Activities Fund.

3.7 When applying for grants, each application must align with one of the Corporate Plan Strategic Outcomes. The majority of grants focus on three key areas: the best start in life for children and young people (32%), strong, resilient communities (31%), and people living well and ageing well (29%).

3.8 The funding for the grants comes from a variety of sources, with over 25 different funding streams identified. The main sources of funding are the:

3.8.1 Public Health Grant - £2.9m (25%)

3.8.2 Council General Fund - £2.2m (23%)

3.8.3 Holiday Activities Fund - £1.9m (16%)

3.9 Of the funding sourced from the Council's General Fund (26%), 43% is allocated from the Housing directorate. This includes funding for services such as Advice Providers, Community Centres, Tenants and Residents Support Services, and Asylum Seekers

Support Services. The majority of these grants are for a duration of 12 months and typically amount to under £20,000.

- 3.10 A large portion (32%) of all grants are for those organisations in receipt of multiple grants. This indicates that a significant portion of funding is concentrated among certain organisations, reflecting their established presence.
- 3.11 A total of **£5,658,480**, representing **50%** of the overall grant funding, was awarded to the top ten organisations. When a significant portion of funding is concentrated in the hands of a few organisations, it may lead to decreased opportunities for smaller, emerging organisations that also serve critical community needs but lack the capacity to compete for large grants. These were:

Organisation	Total
SCVO	£1,249,042
Sandwell Consortium	£1,022,244
Citizens Advice Sandwell & Walsall	£872,114
Black Country Women's Aid	£691,928
Brushstrokes	£601,204
The Kaleidoscope Plus Group	£341,908
Murray Hall Community Trust	£327,283
St Albans Community Association	£244,653
Sandwell Community Information and Participation Service	£160,581
Groundwork West Midlands	£147,565

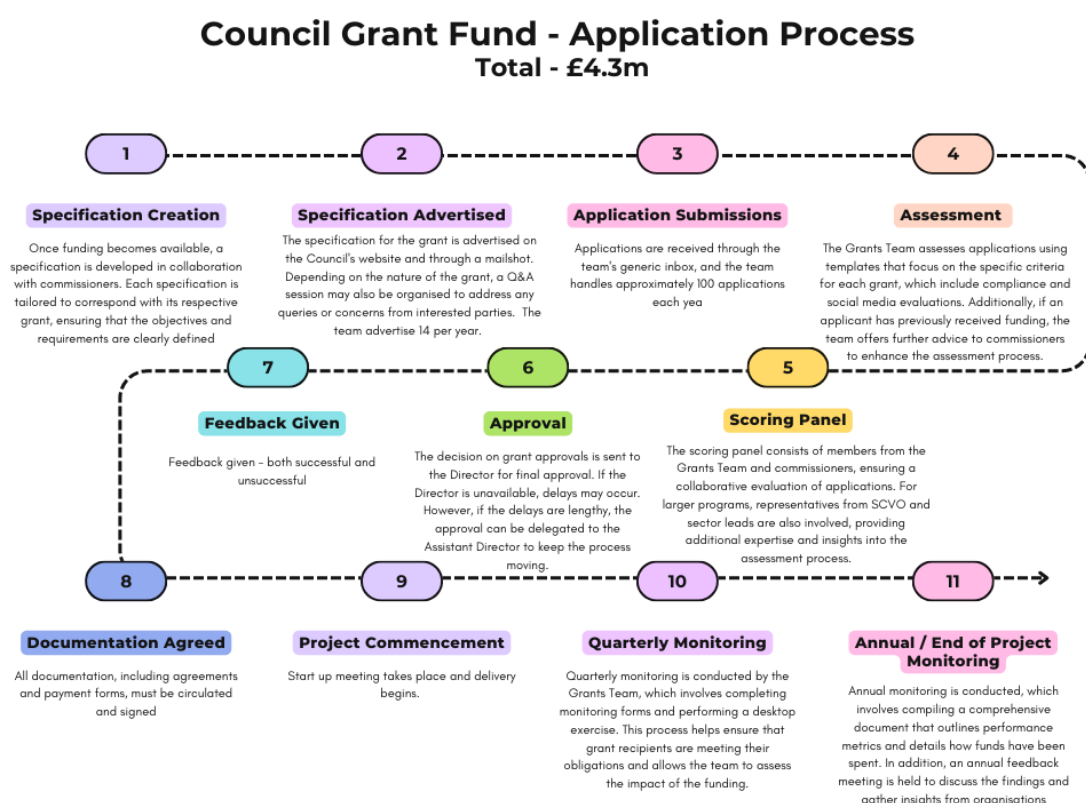
- 3.12 A total of **65 grants**, representing **24%** of all grants awarded, have been recurring for over **10 years**, amounting to more than **£3.8 million** in that period. Notably, **75%** of these long-standing grants originate from the Council's General Fund.

## Processes

- 3.13 Across Sandwell, VCS organisations must navigate a wide range of funding processes, which often leads to confusion.
- 3.14 During 2023/24, voluntary sector organisations have frequently navigated multiple application processes to secure additional funding, including grants from the Council Fund, the Holiday Activities Fund, the Community Infrastructure Levy, the Household Support Fund, and, at times, additional funding opportunities from SCVO, each with its own application requirements. The variation among these processes has often led to confusion and in relation to the CIL funding, occasionally, has prompted organisations to explore alternative funding sources.
- 3.15 Concerns have been raised by various organisations regarding the transparency of funding opportunities available to them.
- 3.16 In February 2024, three organisations contacted the Chief Executive of Sandwell Council on behalf of several third-sector organisations operating in Sandwell that support emerging communities. They raised serious concerns about a lack of fairness, proportionality, and transparency in the distribution of public funds on behalf of the council within the sector. The organisations specifically expressed concerns about impartiality and undue influence in commissioning decisions and that there had been bias towards certain organisations, thereby influencing the allocation of a larger share of funds to those they favoured. In their view, this has resulted in years of unfair treatment and consistent disadvantages for other organisations, leaving them with limited resources to deliver services. As part of the review, Trueman Change met with these organisations. While they acknowledged that there have been improvements under the new Strategic Leadership Team, they remain concerned about the transparency of the funding process and fully support this review.

- 3.17 Many organisations feel that the current mechanisms for sharing information about funding sources are inadequate, leading to confusion and limiting access to vital financial support. The VCS sighted lack of clarity about where funding opportunities can be found, often results in organisations missing out on potential grants or resources that could enhance their services and reach within the community.

## The Council Fund Application Process



- 3.18 The Sandwell Council Grants Team (VSGT) plays a crucial role in supporting Voluntary and Community Sector (VCS) organisations by managing the grant application process and ensuring that requests align with the Council's strategic priorities. The team oversees a broad range of funding sources, including the Council's general fund, as well as targeted initiatives such as holiday activities and Public Health redirected grants. They also provide valuable guidance to organisations on eligibility requirements and best practices for submitting applications. In addition to managing the application

process, the VSGT monitors the utilisation of awarded funds, ensuring that projects comply with grant conditions and collecting data to evaluate their impact. This helps ensure that funds are used effectively and that the outcomes meet the intended objectives. Community engagement is an integral part of their work. The team actively seeks feedback from VCS organisations to inform future funding strategies and improve the efficiency of grant administration. They also provide ongoing support to organisations, offering advice and making regular visits to help them access funding opportunities. The team consists of five dedicated staff members who work collaboratively to ensure the success of the grants programme.

3.19 The primary functions of the VSGT are to:

- Formulate and implement the Council's strategies and policies in relation to the voluntary and community sector, ensuring they align with the Council's vision and priorities
- Monitor and evaluate the provision and quality of service(s) provided by voluntary organisations who receive Council funding
- Annually review, monitor and evaluate the Council's investment to the voluntary sector in Sandwell, ensuring that they deliver relevant, good quality services to Sandwell residents
- Support service areas by administering grants for the funded voluntary organisations, ensuring that they continue to meet Council priorities
- Develop the framework and structure for the administration of voluntary and community sector grant funding across the Council's service areas.

3.20 When available, council funding is advertised through the council website, a mailshot or communications from SCVO, and each application form is tailored to the specific



grant. All responses are then collated within the council team's generic email inbox. The team typically receives approximately 100 applications per year. These applications are then assessed by the VSGT, who conduct due diligence and compliance checks. The application is subsequently scored by a designated panel, which may vary depending on the size of the grant. Once a decision is made, it is shared with a Director for approval. Organisations are then informed of their success, and feedback is provided. Agreements are circulated, and payment details are set up.

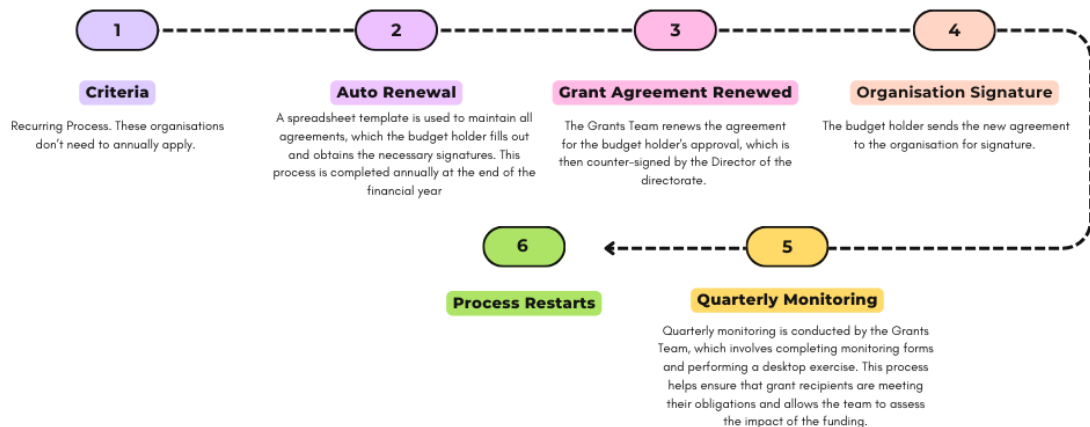
- 3.21 Feedback from survey reviews and meetings with VCS organisations reveals a generally negative response to the Council's current monitoring process. Further discussions suggest that this negative feedback mainly concerns the monitoring practices associated with CIL (Community Infrastructure Levy) funding, a topic that will be explored in more detail later in the report, and which is administered by the Neighbourhood Engagement Team. The VSGT's monitoring process is more straightforward, with quarterly desktop reviews and annual performance reviews. Each document assesses whether the organisation has met its agreed targets and how finances have been spent with the expectation for evidence to be included.
- 3.22 The VSGT currently allocates about 60% of its time to monitoring council-funded grants, with a primary focus on assessing HAF-funded grants. Performance reviews can take up to a full day. Additionally, there is a clear need to prioritise the monitoring of higher-value grants to ensure thorough accountability. Currently, larger grants such as those of £500,000 are monitored by commissioning officers directly and not by the VSGT, but are done on the same frequency as significantly smaller grants, such as those worth £5,000. Implementing a consistent corporate and more proportionate approach, where higher-value grants receive additional oversight, would enable the Council to focus resources on the areas of greatest financial impact and risk, thus improving both efficiency and accountability in grant management.

- 3.23 However, where the application process is being led by other teams, the Council approved grants process can be ignored with commissioners following their own processes. For example, they have used their own grant agreement templates and invoiced internally within their teams instead of sending requests to the corporate VSGT. While some commissioners were not aware of the centralised processes, they acknowledged that recent changes were positive.
- 3.24 Sandwell Council are currently in the process of rolling out a grants management system. The grant management system will enhance the efficiency, transparency, and overall effectiveness of the grant-making process. By automating application processing, tracking, and reporting, it reduces administrative burdens and accelerates the grant lifecycle, allowing the VSGT to focus on strategic initiatives rather than routine tasks. The system will provide clear visibility into funding processes, making it easier for stakeholders to track applications, decisions, and allocations, thereby fostering greater transparency and accountability. Improved communication is facilitated through streamlined notifications and updates between grant applicants and Council staff, ensuring that all parties are informed throughout the process.

### **The Council Fund Recurring Grant Process**

## Council Grant Fund - Recurring

Total - £3.8m



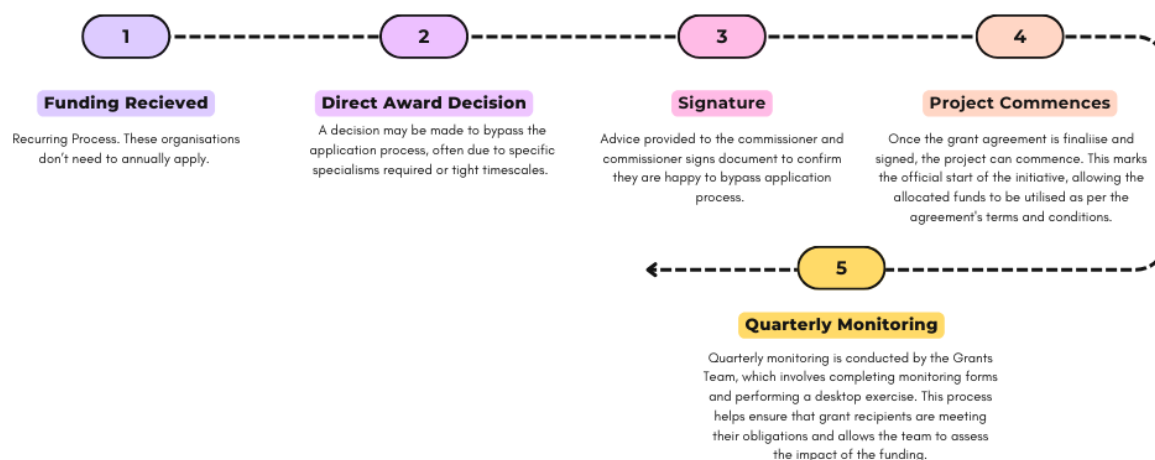
3.25 The recurring grant process in Sandwell Council operates with a more relaxed approach, where grant recipients do not need to reapply each year. At the start of each financial year, commissioners work with the VSGT to complete a spreadsheet template that maintains the grant agreement details. Once completed, the document undergoes necessary management approvals and signatures. Following this, the VSGT renews the agreement, which is then countersigned by the relevant Director. Quarterly monitoring is conducted by the VSGT to ensure compliance, and this entire process is repeated annually at the beginning of each financial year.

3.26 Several organisations in Sandwell expressed concerns that the current system is no longer fit for purpose. They emphasised the need for a thorough analysis to accurately determine the actual level of need, ensuring that resources are allocated in a proportionate and fair manner.

### The Council Fund One-Off / Direct Award Grant Process

## Council Grant Fund - Direct Award / One Off

Total - £3.2m



3.27 The one-off or direct award grant process differs from the standard application procedure. This type of grant bypasses the usual application process due to the unique expertise required or urgent timelines involved. Once funding availability is confirmed, the commissioner collaborates with the VSGT to sign an agreement, formally approving the bypass of the standard application. The commissioner then contacts the grant recipient, and after finalising all necessary agreements, the project begins. If time permits, quarterly monitoring is conducted, following a similar process as with other grants.

### CIL Funding

3.28 The Community Infrastructure Levy (CIL) funding is a charge on new developments, designed to support local infrastructure improvements like schools, roads, and parks. While the Council's Neighbourhood Engagement Team administers CIL funding, it is separate from the Council's General Fund. Feedback from organisations has been largely negative, citing delays in funding disbursement, which has postponed programme start dates, and an overly complex monitoring process. For example, a sports club that requested £800 to complete a toilet installation was informed that, if

successful, they would need to report on how many people used the toilets and conduct user surveys. This led the club to withdraw their application.

- 3.29 Our conversations indicate that the negative experiences associated with CIL funding are creating an overall negative perception of Council funding among organisations.

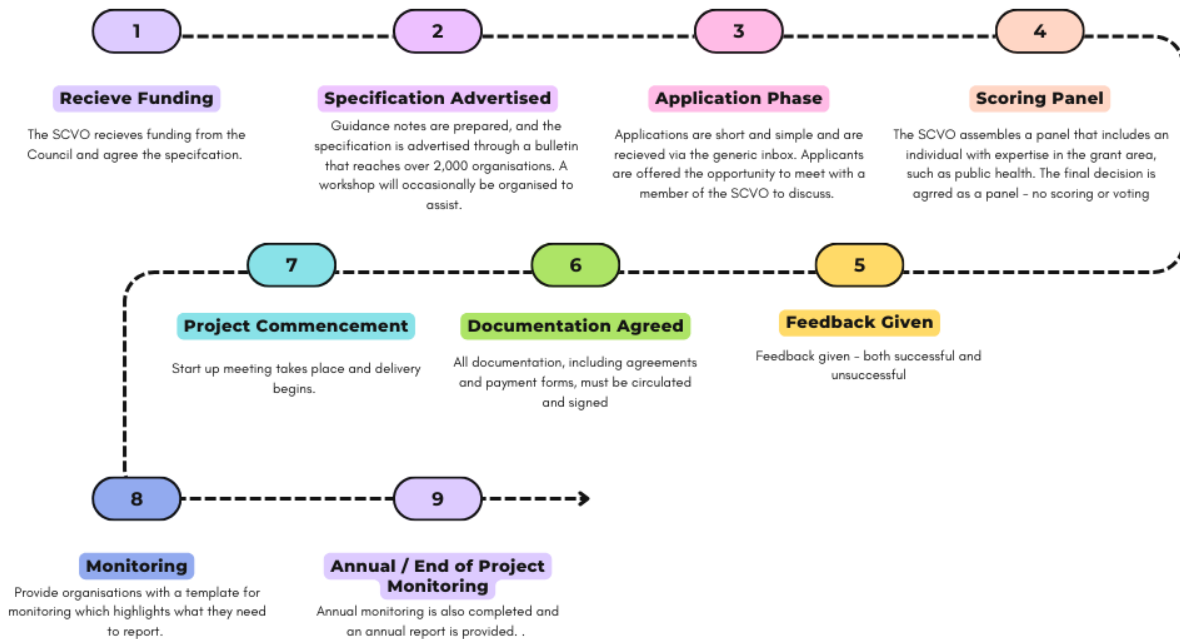
### **HAF Funding**

- 3.30 The Holiday Activities and Food (HAF) programme funds free holiday activities and nutritious meals for children and young people from low-income families. Managing HAF funding is resource-intensive for the VSGT, as each funded activity requires an in-person visit, reaching up to 100 visits over the summer months. To manage this workload, the Children and Education Team assists by handling non-mandatory activities, while the VSGT focuses on mandatory tasks. The HAF fund is currently funded through to March 2025 and the Department for Education has not yet confirmed any funding extensions.

- 3.31 As highlighted above, each funding stream provides its own challenges for the VCS organisations, for the VSGT and other stakeholders, such as commissioners. The rollout of the new grant management system, along with better communication and improved training programmes will enable more thorough processing and free up capacity for the internal teams.

### **SCVO Process**

## SCVO - Application Process Total - £1,249,042



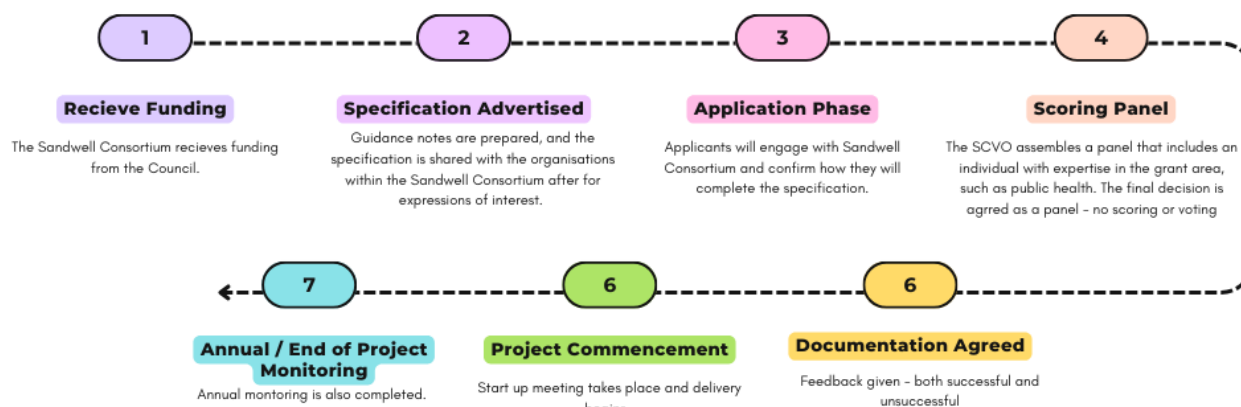
3.32 The Sandwell Council Voluntary Sector Organisation (SCVO) plays a significant role in managing and administering grants on behalf of Sandwell Metropolitan Borough Council. They oversee several grant programmes aimed at addressing issues such as social isolation, promoting healthy lifestyles, and supporting community-based activities. The SCVO is responsible for publicising grant opportunities, assisting organisations in preparing clear and effective applications, and convening local grant assessment panels to evaluate funding requests.

3.33 The SCVO stated that while they believe the Council is very supportive of the sector, there is a need for greater clarity regarding how they collaborate. Staff at the SCVO mentioned that their relationship with the Council is not as strong as it once was and could benefit from improvement. This has followed the retirement of a longstanding Council employee earlier in 2024 that managed relationships with SCVO and a number of other organisations.

- 3.34 In the financial year 2023/24, the SCVO received **seven grants** totalling **£1,248,042** from the Council. Of this total, **£816,500** was allocated for funding specific initiatives, **£127,250** is designated for management and administration, and **£306,292** is earmarked for infrastructure development.
- 3.35 From both conversations with grant applicants and reviews of survey responses, it is perceived that SCVO administers a fair and transparent grant process. The application phase is straightforward, with applicants regularly updated on their progress and offered assistance from the SCVO team as needed. Following submission, each application is reviewed by a designated panel. While most applicants are satisfied with this process, some have requested increased transparency regarding the panel, suggesting that they be informed of the individuals involved in making the decisions.
- 3.36 Once a decision is reached, applicants are promptly notified of the outcome, with feedback provided either in writing or through a follow-up meeting. Monitoring requirements are proportionate to the size of the grant, ensuring a rigorous review process. However, applicants have noted that, at times, they are given only 10 days' notice for completing all required monitoring and reporting. A preferred approach would be for these deadlines to be shared with organisations at the time of grant confirmation.
- 3.37 The SCVO received exceptionally high scores in the survey, with 97% of respondents indicating that the organisation is fair and transparent. However, during discussions with various organisations, feedback from individual conversations with organisations has revealed concerns regarding the fairness and transparency of funding distributed by the SCVO, particularly in relation to the Welcoming Spaces initiative. Some organisations feel that the decision making process for the allocation of funds lacks clarity, perceived conflicts of interest and therefore questions equitable treatment and how resources are distributed.
- 3.38 **.The Sandwell Consortium**

## Sandwell Consortium - Application Process

**Total - £1,022,244**



3.39 The Sandwell Consortium is a collaborative network of community-led organisations focused on addressing social disadvantage and promoting equity within the Sandwell area. By providing services such as welfare advice, employment support, and health and well-being initiatives, the Consortium aims to bolster resilience among marginalised communities. A key component of their work involves partnerships with Sandwell Council. Of all the funding shared with the Sandwell Consortium, 10% is allocated for in-house administrative costs, which amounted to approximately £100,000 in the 2023/24 fiscal year.

3.40 The Sandwell Consortium stated that they had limited engagement with Sandwell Council and were largely left to operate independently. However, they did not highlight any inefficiencies in the way the two organisations work together.

### Council Services

3.41 From the outset of the review the Trueman Change team had been tasked with identifying duplication in the Council's processes and where there might be duplication in service offer or provision within the VCS locally. One area that has arisen during this



work concerns the provision of advice services which appears to be something provided by the Council directly and commissioned by the Council within the VCS. In 23/24, the Council's Welfare Rights team supported 10,433 customers which was 32.2% of the total customers supported across Sandwell from all VCS organisations.

<b>Numbers of unique clients supported</b> <b>2023/24 Organisation</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Citizens Advice Sandwell & Walsall	5782 face to face (30%) + 13,683 phone enquiries (70%) <b>19,465</b>	12,029 plus 7,219 digital (phone and web chat) <b>19,248</b>	9,865 plus 3,385 digital (phone and web chat) <b>13,250</b>
Sandwell Consortium open door	3,053	3,738	4,525
Sandwell Consortium family hubs	790	872	1,149
Brushstrokes	951	2,043	2,482
SPMA	551	626	532
Welfare rights team	10,663	12,635	10,433
<b>Total</b>	<b>35,473</b>	<b>39,162</b>	<b>32,371</b>

3.42 In terms of monetary gains, the Welfare Rights team achieved £20,753,341 in confirmed gains for Sandwell residents, this is 59.8% of the £34,731,656 total.

The funding in the table below covers all advice activities. <b>Organisation</b>	<b>Confirmed gains 2022/23</b>	<b>Confirmed gains 2023/24</b>
Citizens Advice Sandwell & Walsall	£1,905,563	£4,131,884
Sandwell Consortium open door community services	£3,806,177	£3,562,521
Sandwell Consortium family hubs	£1,869,341	£ 2,032,452
Brushstrokes	£571,594	£594,384
SPMA	£3,447,644	£3,657,074
Welfare rights team	£19,519,254	£20,753,341
<b>Total</b>	<b>£31,119,573</b>	<b>£34,731,656</b>

3.43 In addition to the better performance in achieving outcomes for Sandwell residents, the Welfare Rights team are the only service that challenges decisions and processes benefit appeals. Officers support clients through this process and attend court. This has resulted in successful overturn decisions and is evidently a service that adds value for some of the most vulnerable residents in the borough.

3.44 The Welfare Rights team have audited VCS organisations in receipt of grant funding for advice services. The team raised concerns around the accuracy of the reporting of financial gains and in several of the cases sampled, it was evidenced that incorrect and duplicated gains had been reported. For example, one client seeking a benefit check was incorrectly advised to apply solely for Universal Credit, which would have resulted in a substantial loss of income. The appropriate guidance should have been to maintain their existing benefits while awaiting managed migration, highlighting a significant flaw in the advice provided.

- 3.45 There is a concerning trend among advice services in Sandwell, where many have either refused to engage with the Council's auditing procedures or have participated without taking the advice seriously. This lack of compliance has led to the ongoing dissemination of incorrect guidance, undermining the effectiveness of support services in the area. The impact on clients is residents, as they depend on accurate information to navigate the complex benefits system, and the credibility of the advisory organisations is also compromised. The absence of adherence to audit recommendations reflects a considerable gap in accountability and quality assurance, which needs to be addressed to enhance service delivery. Despite the potential consequences, such as the reduction or removal of Council funding, there has been a lack of action taken against these organisations. The Council needs to address this to have assurance that the principles of best value and good governance are applied to the use of taxpayers' money in this area.
- 3.46 The Welfare Rights team previously communicated their concerns to a Council staff member, who has since departed, yet these issues were not adequately pursued or addressed. Strengthening the connection between VCS organisations and the Council is essential for ensuring that clients receive the necessary support and guidance.
- 3.47 Despite this duplication, the need for individual organisational advice is crucial, as many residents may feel more comfortable discussing their issues with local providers rather than approaching the Council directly. This is especially important given that the Council does not offer immigration advice, making these local services essential for residents seeking support in this area. Furthermore, local organisations often have a better understanding of the community's unique needs and can provide tailored guidance that may not be available through larger bureaucratic entities.

#### **VCS Organisation in Sandwell**

- 3.48 Organisations across Sandwell are committed to supporting residents, particularly vulnerable groups, by developing tailored services that address complex issues and foster social cohesion. Staff members demonstrate exceptional dedication, frequently going above and beyond to secure funding that enhances service delivery. Overall, the Council maintains a positive relationship with the Voluntary and Community Sector (VCS) and provides assistance wherever possible. However, feedback from surveys, focus groups, and individual conversations suggests that some VCS organisations feel a disconnect with the Council. While the relationship is not poor, there is a desire among these organisations to collaborate more closely with the Council.
- 3.49 Some organisations have reported a lack of awareness regarding available funding options, describing the process as a 'closed shop.' When funding is received, they often feel burdened by the requirements to submit feedback and annual reports without receiving any communication about the outcomes. This lack of feedback contributes to a frustrating environment, where organisations operate in silos, limiting opportunities for collaboration and knowledge sharing. While most organisations feel well-supported by the Council, it is challenging to meet everyone's expectations. There is also evidence that organisations with 'louder voices' sometimes position themselves to share negative stories about the Council.
- 3.50 Some new entrants to the sector have expressed confusion about the support available from the Council, stating they 'don't know where to go.' However, a review of the Council's website shows that guidance is available and relatively easy to access. The Council should consider how it can better signpost to the valuable information on its website and through organisations like SCVO and Sandwell Consortium.
- 3.51 There is a need to clarify the Council's role as an enabler within the sector and ensure that all organisations are aware of the support and guidance that is available to them.

#### 4. Issues

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##### Issue One: Application Processes Could Be Improved

- 4.1 During this review, concerns have been raised by various organisations regarding the transparency of funding opportunities available to them.
- 4.2 Many organisations feel that the current mechanisms for sharing information about funding sources are inadequate, leading to confusion and limiting access to vital financial support. A lack of clarity about where funding opportunities can be found often results in organisations missing out on potential grants or resources that could enhance their services and reach within the community.
- 4.3 Organisations relying on competitive funding have expressed that these practices limit opportunities, especially when significant funds are allocated through recurring or direct grants. This can foster perceptions of preferential access for certain groups or projects, potentially reducing motivation for some organisations to apply if they view the process as lacking transparency and equal access. Smaller or newer VCS organisations highlighted that they feel at a disadvantage compared to those with established council relationships, especially if these longstanding groups receive recurring grants. At times, this has discouraged innovation and reduced the diversity of services available within the community.
- 4.4 Overall, monitoring for the Council Grants is straightforward, as VCS organisations are expected to submit reports that demonstrate how they have met their agreed targets and how finances have been spent. However, the process can be lengthy for applicants, who often need to complete extensive documentation. Additionally, quarterly reports may contain numerous links to supporting documents and evidence, making it time-consuming for reviewers to navigate and an “un-tidy document to look at”. The introduction of a grant management system by the VSGT is intended to streamline this monitoring process across various departments and organisations. Clear guidelines on when and how organisations should report their progress will help

ensure that all grantees adhere to consistent standards, thereby enhancing comparability and transparency.

- 4.5 The Council should consider the adoption of corporate principles that should apply to grant funding and commissioning in the VCS. These principles should be aligned to the Strategic Themes of the Council Plan 2024-27 and its future iterations, as well as the 2030 Vision. It is not for Trueman Change to define those principles for the Council, but the overarching consideration for the authority must be the avoidance of duplication in how it funds the VCS. As expanded on elsewhere in this report, consideration should be given to ending the process of auto-renewals for grant funding, with funding of £150k and above for the VCS to be commissioned rather than granted and anything below £150k to be grant funded. It would be beneficial for the Council to consider applying standardised timeframes for the funding period either through commissioning or grants as this will provide certainty and stability to the VCS and the Council itself. Finally, the Council should mandate the completion of equality impact assessments ahead of the agreement or cessation of all proposed funding arrangements to provide confidence to decision makers and others than decisions are being made in accordance with the principles of good governance.
- 4.6 Additionally, there is a clear need to prioritise the monitoring of higher-value grants to ensure thorough accountability. Currently, larger grants such as those of £500,000 are not monitored with the same rigour as significantly smaller grants, such as those worth £5,000. Implementing a more proportionate approach, where higher-value grants receive additional oversight through the VSGT, would enable the Council to focus resources on the areas of greatest strategic impact and financial risk, thus improving both efficiency and accountability in grant management.
- 4.7 Site visits are conducted annually by the VSGT. Beyond this, the VSGT will only scrutinise further where organisations have not met their targets and must be placed

on an action plan. It is recommended that consideration be given to the use of the Internal Audit function to undertake a more forensic and independent review of organisations receiving higher levels of funding to provide greater assurance to the Council that it is receiving value for money in its grant funding arrangements.

- 4.8 These adjustments to the VSGT role would ensure rigorous adherence to processes and enhance accountability, thereby strengthening the Council's oversight and support for all funded organisations. This would also create capacity for the VSGT to take over the administration of grants that are currently managed by the Sandwell Consortium and the SCVO, which would result in cost savings for the Council overall. This will also ensure accountability and scrutiny for commissioners and budget holders within the Council.
- 4.9 Feedback from engagement activities indicates that the negative experiences associated with CIL funding are contributing to an overall unfavourable perception of Council funding among organisations. Consequently, survey respondents have stated that the "Council is missing out on innovative and exciting ideas due to this negative perception." This underscores the importance of the Council addressing these issues to foster better relationships with the VCS. The Council has indicated that the arrangements for neighbourhood related funding would be examined when launching its new neighbourhood working model.
- 4.10 The grants allocated to the SCVO and the Sandwell Consortium for funding distribution represent a longstanding process that has been historically agreed upon. The application processes followed by these organisations are consistent with those used by the Council and they don't offer any specialised support which the Council couldn't offer through the VSGT. With the introduction of the new grant management system, there is now a clear case to bring this administration back in-house. This will ensure



fairness and transparency across all Council-led funding, with a unified process owned and managed by the Council.

- 4.11 Furthermore, organisations expressed concerns about a historical lack of transparency and undue influence involving the Council, SCVO, and Sandwell Consortium. Many felt they had been excluded from opportunities and that access to funding had been unfairly restricted. Implementing a standardised and transparent process for funding allocation led by the Council would help address these concerns, ensuring fairness, equity, and greater confidence among organisations.
- 4.12 Overall, the proposed amendments to the application process, coupled with the introduction of the grant management system, will significantly enhance transparency within the Council, benefiting both internal and external stakeholders. More importantly, this transition will empower the VSGT to shift from a scrutiny based role to a more proactive, enabling function. By focusing on providing support, guidance, and resources, the VSGT will drive better outcomes, foster innovation, and ultimately create a more collaborative environment for all those involved in the grants process.
- 4.13 To address these issues, Trueman Change has put forward the following recommendations:
- 4.14 **RECOMMENDATION: With the rollout of the new grant management system within Oracle Fusion, and to create greater capacity within the Voluntary Sector Grants Team, it is recommended that a proportionate sample of VCS organisations receive an annual site visit. This approach will strengthen monitoring practices and promote consistency across each grant.**
- 4.15 **RECOMMENDATION: Commissioners and the Voluntary Sector Grant Team should implement a tiered monitoring approach based on grant size, providing**

additional oversight for higher-funded grants compared to those with lower funding. This will ensure that resources are focused on projects with larger financial impact, allowing for a more effective and risk-adjusted monitoring process.

4.16 **RECOMMENDATION:** The Voluntary Sector Grants team to implement and conduct training for all commissioners, outlining the required processes to be followed when tendering grants.

4.17 **RECOMMENDATION:** While the Council's monitoring process operates efficiently overall, there has been significant negative feedback specifically regarding the monitoring of CIL funding. A thorough review of the CIL funding monitoring process as part of the launch of a new neighbourhood working model is recommended to address these concerns.

4.18 **RECOMMENDATION:** That the Council's Internal Audit function be deployed to forensically review performance of organisations in receipt of large grants.

4.19 **RECOMMENDATION:** The Council should adopt and publish corporate principles aligned to the Council Plan 2024-2027 and Vision 2030, which should be applied to future decisions in respect of grant funding:

- Auto-renewals and direct awards for organisations should be scrapped
- Grants of over £150k to be commissioned via contract
- Grants below £150k to be awarded according to the existing corporate grant funding process
- Standardisation of grant period/duration to provide stability and certainty to the Council and the sector

- **Equality Impact Assessment to be undertaken in all commissioning or grant funding processes and when considering decommissioning too**
- **Where organisations have been unsuccessful in application for a grant**

4.20 **RECOMMENDATION: The Council should begin the change process described above with organisations in receipt of large and multiple grants.**

## Issue Two – Administration Costs Could Be Reduced

- 4.21 From various discussions with key stakeholders, both within the Council and in the wider community, several opportunities have been identified that could help the Council reduce costs effectively.
- 4.22 As the Council transitions to a new grant management system, significant enhancements in operational efficiency are anticipated. The automated features of the system will streamline various administrative tasks, such as producing data reporting and the uploading of details for individual organisations. This transition will free up valuable capacity within the team, enabling staff to focus more on strategic initiatives and provide direct support to organisations, rather than undertaking routine administrative functions.
- 4.23 Based on discussions and survey responses, it is evident that the SCVO and the Sandwell Consortium play a crucial role in supporting the VCS organisations in Sandwell. Both organisations offer essential resources and guidance that are vital for the effective operation of VCS organisations. However, it is concerning that a thorough review of the financial support allocated to these organisations has not been conducted for an extended period, particularly since this funding was initially provided when the Council faced challenges in grant administration due to capacity limitations.
- 4.24 There is also concern that the administration of grants on behalf of the Council by SCVO and Sandwell Consortium detaches the local authority from the VCS organisations receiving Council funds through another organisation. The Council's commitment to continue to invest in the VCS during a challenging period in the public finances in the past two decades is to its credit. In moving grant administration it does potentially reduce awareness of the crucial role and decisions the Council has taken in continuing to support groups and organisations through specific grant funding.

- 4.25 The recommended changes to grant administration, including the removal of SCVO and Sandwell Consortium grants, would save the Council £237,397. Both SCVO and Sandwell Consortium currently offer support that could be directly managed by the Council without any loss of service quality or specialised expertise.
- 4.26 Whilst it would be a matter for the Council to determine, these savings could be used to increase the capacity of the VSGT to bolster the enabling role that the team should play in future and this would still result in significant cost reductions. Additionally, these changes would enable the VSGT to dedicate more time to monitoring and reviewing ongoing grants, potentially generating further savings in the future.
- 4.27 From this review, Trueman Change consider that the SCVO and the Sandwell Consortium do not currently provide any special support or special relationship with the Voluntary sector that the Council don't already provide.
- 4.28 Another potential saving opportunity for the Council lies in the duplication of advice services across Sandwell. In the fiscal year 2023/24, approximately £1.25 million was allocated to various advice services in the area. Notably, the Welfare Rights Team within the Council has been identified as performing more effectively than many of these VCS organisations, some of which have shown reluctance to engage in necessary auditing processes or to provide accurate information.
- 4.29 Consolidating these services and reallocating resources to strengthen the Welfare Rights Team could enhance the efficient use of funds while improving the quality of support for residents. However, if additional services are brought in-house, the Welfare Rights Team's capacity must be carefully assessed.
- 4.30 There are numerous opportunities for the Council to review its current expenditures and implement cost reductions. By considering the option of bringing services in-

house, supported by a restructured internal framework and the deployment of a new grant management system, the Council could enhance its operational efficiency and work towards meeting its savings targets. This approach would not only streamline service delivery but also reduce administrative costs associated with external service providers.

The Council has made a conscious decision to continue to work with, support and develop the VCS during a challenging period for public services in the past two decades. Few local authorities operate with teams like the VSGT and this is to the Council's credit in the current financial environment. Whilst the VSGT are rightly focused on monitoring and supporting the sector, there has been less focus on the costs associated with the VSGT. Whilst the Council could decide to move away from the model that it has operated for some time, there are other options that should be considered in the first instance. For example, the Council should consider introducing a small administrative fee where it takes on responsibility for administering externally funded grants. This increases the workload of the team and the Council ultimately bears the cost of administering such grants. It is suggested that a flat rate fee of up to £5,000 should be charged as such a figure is usually built into externally funded grants. These funds can then go towards reducing the costs of the VSGT and could be used to fund ongoing training and development.

4.31 To address these issues, Trueman Change has put forward the following recommendations:

4.32 **RECOMMENDATION: Once the grant management system is fully operational, a comprehensive review of the SCVO and Sandwell Consortium grants for management and administration should be undertaken to assess whether these grants can be managed internally. This transition could potentially lead to significant cost savings annually of over £237,397 for the Council.**

- 4.33 **RECOMMENDATION:** Subject to a review of capacity of the Council's Welfare Rights Team, a detailed review of the current advice services funded by the Council should identify overlaps and areas for consolidation with a view to making savings on the General Fund and other budgets.
- 4.34 **RECOMMENDATION:** That an administrative fee of £5,000 be applied to the administration of externally funded grants by the Voluntary Sector Grants Team to ensure that the Council is not further subsidising the cost of grant administration.

### Issue Three: Reduce Spend on Long Term (10 Year+) Arrangements

- 4.35 Approximately 24% of all Voluntary and Community Sector (VCS) grants awarded have been recurring for over 10 years, accounting for £3.8 million or 33% of the total annual funding. A large number of these representatives have had funding with Sandwell Council for over 30years meaning that have received millions of pounds in funding since they became operational.
- 4.36 Several of these grants are longstanding, historical awards and there are claims by some VCS organisations that these have not been subject to regular scrutiny by the Council in recent years. However, grant recipients follow a much more stringent monitoring process. Some organisations within the sector raise concerns about favouritism towards these long-standing grant recipients. As a result, the Council's approach to grant distribution has come under criticism, affecting its reputation and contributing to a perception of bias.
- 4.37 The last comprehensive review of granting funding took place in 2022, however, one individual noted that “people don’t want to have to ask the difficult questions,” suggesting a reluctance to engage in deeper scrutiny of funding allocations.
- 4.38 The infrequency of monitoring and stringent annual reporting has led to organisations reporting “what the Council want to hear” in order to obtain funding for a further agreed time period.
- 4.39 In addition, other VCS organisations are aware of those organisations who have received 10 year plus funding and feel that they receive preferential funding giving the impression of a “boys club” and it is “ who you know in the Council”. One organisation stated they had requested a conversation to receive similar funding options and was told “this isn’t something we can provide at this moment”. This in turn has led to organisations believing that the process is not fair or transparent.



- 4.40 In addition, three organisations have written to the Council's Chief Executive requesting a thorough analysis of grants administered on behalf of the council to be conducted in order to assess the actual levels of need and ensure that they are proportionate and fair.
- 4.41 The lack of frequent monitoring or a stringent application process for these grants, which have been in place for over 10 years, may have cost the Council millions of pounds over the past 30 years. It is possible that these funds could have been better allocated to other priorities, and there is little clarity on how the money is being spent by the recipients. The current monitoring process is inadequate, and many of these organisations also receive funding from other sources, including match funding, raising questions about whether they still require Council funding to continue operating. A comprehensive review of these grants would not only provide greater transparency across Sandwell, but it could also prompt other organisations to reconsider their funding needs and improve overall accountability in the sector. In addition, consideration should be given to remove the autorenewals
- 4.42 To address these issues, Trueman Change has put forward the following recommendations:
- 4.43 **RECOMMENDATION – Conduct an in-depth analysis of each of the top 10 organisation's costs in relation to the funding received from the Council.**
- 4.44 **RECOMMENDATION – Immediately remove o the autorenewals process with all organisations required to apply for their grant annually.**

#### **Issue Four: There Is Duplication in Funding of Some Activities**

- 4.45 Across Sandwell, there is increasing concern about the duplication of services, as numerous organisations offer overlapping services to similar demographics. A combination of silo working and a lack of strategic oversight within Council teams have resulted in a lack of clarity regarding where these duplications occur. For instance, evidence indicates that multiple organisations located within half a mile of each other provide advice services targeting the same communities.
- 4.46 Multiple instances of service duplication have arisen due to the siloed operations of commissioners and teams within the Council. For example, with the Holiday Activities Fund (HAF), the Council faces tight deadlines for fund utilisation. Some commissioners have opted to bypass the established application process and directly engage a specific organisation to run a sports club in a park. This decision was made without consulting other areas of the Council or the VSGT. Had they done so, they would have discovered that two other sporting groups were already conducting activities in the same park at the same time.
- 4.47 This kind of duplication highlights the issues stemming from isolated working practices and a failure to adhere to the proper application processes. To mitigate such occurrences, the development and rollout of a new training programme will enhance communication and collaboration among teams, ensuring that all relevant parties are aware of existing services, funding opportunities and procedures that need to be adhered to for good governance.
- 4.48 Furthermore, there is evidence that the Council Advice services are offering the same services to organisations and outperforming them in outcomes gained for residents and thereby offering better value for money.
- 4.49 In addition, the Sandwell Consortium's allocation of funding has raised significant concerns regarding the equitable distribution of resources among various community

groups. Historically, a substantial portion of their budget has been directed towards Bangladeshi communities, while other ethnic groups, notably African and Somali communities, have faced challenges in accessing similar funding levels. This longstanding pattern suggests a potential imbalance in how funds are allocated, which has not undergone a comprehensive review in recent years.

- 4.50 Many organisations within Sandwell have expressed apprehensions that this disparity could be attributed to preferential treatment historically extended by some Council employees. This has created a perception of inequity in resource allocation, leading to feelings of marginalisation among other community groups that struggle to secure adequate funding for their services. The lack of transparent criteria for funding decisions has further exacerbated these concerns, fostering an environment where certain communities feel overlooked.
- 4.51 As services are currently being commissioned by various bodies, such as the SCVO, Sandwell Consortium, and the Council, there is currently no due diligence process in place to ensure that duplication of efforts does not occur across Sandwell. The introduction of a grant management system, coupled with increased capacity within the Council's VSGT, would help address this issue and significantly reduce the risk of duplication.
- 4.52 This review has concluded that there is duplication of services across Sandwell, but there is a need for further examination of what is being provided in each locality, as this information is not currently well-known or documented. This work needs to be undertaken by the Council itself as part of its own assurance activity, but the example uncovered during this review of the same service being offered in the same park highlights a lack of communication and coordination between teams within Sandwell Council and external of the Council.

- 4.53 Other examples of duplication include the Council, Sandwell Consortium, and the SCVO all offering funding for similar services, such as youth services, food banks and community support, mental health support initiatives, and services for vulnerable migrant communities. In these cases, the overlapping funding streams can lead to multiple organisations receiving financial support for the same or similar projects, resulting in inefficiencies and potential redundancies in service delivery. This lack of coordination between funders could be resolved through the introduction of the grant management system, with the Council taking the lead in grant funding administration. Such a system would streamline the process, improve transparency, and reduce duplication, ultimately saving funding and ensuring more effective use of resources.
- 4.54 If the Council were to take steps to remove the duplication of services in the VCS being commissioned or funded through grants then it should release funds that could be targeted specifically to support new or emerging communities in Sandwell. Having capacity to release seed funding for new groups and organisations will ensure that the Council actively contributes to and enhances the diversity of the local VCS.
- 4.55 To address these issues, Trueman Change has put forward the following recommendations:
- 4.56 **RECOMMENDATION: Conduct a mapping exercise to identify the locations served by each service, highlighting potential overlaps and areas for collaboration.**
- 4.57 **RECOMMENDATION: The Council should consider the cessation of funding of advice services grants where there is evident duplication of services provided by the Welfare Rights Team**
- 4.58 **RECOMMENDATION: A thorough review of the auditing process for the Welfare Rights Team is essential, focusing on how concerns are raised and shared.**

4.59 **RECOMMENDATION:** The Council should establish a small budget to be realised from savings identified from this review to use as 'seed funding' for groups and organisations supporting new and emerging communities in Sandwell.

## **Issue Five – Current Capacity of the Voluntary Sector Grants Team & the New Role of The Team**

- 4.60 **To enhance efficiency and oversight, the Council's Voluntary Sector Grants Team should act as the main "gatekeeper" and information hub for all Council-administered grants.**
- 4.61 The Council's VSGT are extremely dedicated and provide excellent services to the sector in Sandwell.
- 4.62 The team spends a significant portion of its time on administrative tasks, including sharing funding opportunities, compiling and scoring applications, providing feedback, monitoring grant progress, organising payments, and responding to enquiries. They also offer vital advice to organisations throughout the funding process. However, with the upcoming introduction of the grant management system, many of these tasks will be automated, resulting in significant time savings. Currently, approximately 40% of the team's time is allocated to administering and recording the HAF fund. If the HAF programme ends in 2025, as remains uncertain, this time could be reallocated, enabling the team to focus on other projects and responsibilities, thereby increasing overall capacity.
- 4.63 Once the system is fully operational, commissioners will be trained to manage their own funds effectively, with the VSGT providing support as needed to ensure the system is used correctly. This change will also increase team capacity, potentially making it feasible to bring in-house grants currently administered by external organisations, like those managed by Sandwell Consortium and SCVO. Furthermore this will move accountability onto the commissioners.
- 4.64 In addition, with this increased capacity, a more robust monitoring programme could be introduced, prioritising high-value grants and ensuring at least one annual site visit.

Establishing a stronger connection with the Welfare Rights Team could allow the VSGT to address any issues raised about funded organisations more proactively, creating action plans to improve compliance and support.

- 4.65 Whilst the VSGT performs a valuable role presently, some adjustments would increase adherence to processes and enhance accountability, thereby strengthening the Council's oversight and support for all funded organisations. By centralising the administration of grants currently managed by the Sandwell Consortium and the SCVO, the VSGT could streamline operations and achieve cost savings for the Council. This would also enable the team to offer more comprehensive advice and support as an enabling function, as well as provide thorough feedback on all grant applications. Additionally, the increased capacity for monitoring would ensure that all VCS organisations are meeting their targets. The introduction of more site visits and ad hoc checks would further promote responsibility, ownership, and accountability across Sandwell, fostering greater transparency and trust in the funding process.
- 4.66 During the review reference was made to the retirement of a longstanding employee of the Council who had acted as a bridge between the Council and local VCS organisations. Whilst the Trueman Change team did not get the opportunity to meet with this individual, there is some strength of feeling that the Council needs a strategic lead officer to continue to build and maintain strong relationships with local infrastructure organisations, such as SCVO and Sandwell Consortium. The designation of a strategic lead officer could help to improve oversight to ensure accountability and enhance support for other VCS organisations. Such a role within the Council would demonstrate an ongoing commitment to improvement and will help to ensure that the grant making process remains efficient and effective, whilst addressing the challenges and needs of VCS organisations.

- 4.67 Aligned to this, the Council should also consider what more it can do to lever in external funding to reduce the pressure on its own finances and be able to support the local VCS in meeting the needs of residents in Sandwell through support for projects and services in the community. This will need to be a joined up approach, avoiding the silo working referenced elsewhere in this report, and ensure that it aligns with the strategic themes of the Council Plan 2024-2027.
- 4.68 **RECOMMENDATION: The Council should designate a Strategic Lead Officer for the Voluntary and Community Sector to continue and enhance relationships with infrastructure bodies and other VCS organisations.**
- 4.69 **RECOMMENDATION: The Council should consider an ongoing training and development programme for the VSGT as its role evolves following future changes arising from this review.**
- 4.70 **RECOMMENDATION: The Council should consider how commissioners and the VSGT can work together to lever in more external funding to support the VCS in order to reduce pressures on the Council's General Fund Revenue Budget**



**Issue Six: Relationships between VCS Organisations and the Council could be clarified.**

- 4.71 **Despite the overall relationship being very positive, a minority of organisations feel a disconnect from the VCS organisations to the Council and also from the Council to the VCS organisations.**
- 4.72 Some VCS organisations are not fully aware of the range of services and funding opportunities available to them through the Council.
- 4.73 To address this, it is essential to refresh and update the existing online resources, ensuring they are comprehensive, easily navigable, and cover all current funding streams and services. In addition to online resources, providing printed or downloadable materials that clearly outline the different types of funding and the application processes would be beneficial. These materials should not only clarify the various funding opportunities but also explain the relationship between the Council and VCS organisations, making it clear what is available and how organisations can access these resources.
- 4.74 By improving the accessibility and clarity of this information, the Council can enhance the understanding and confidence of VCS organisations, ultimately improving their engagement with available funding and support services. This will foster stronger relationships and ensure that VCS organisations are fully aware of, and able to take advantage of, the resources available to them.
- 4.75 Furthermore, to provide greater clarity to VCS organisations, it is recommended that in addition to the Council's annual report that highlights ongoing community initiatives and the impact of its funding, that the Council hosts an annual VCS Conference to showcase what the sector and the Council have achieved together, which can be built upon the existing annual reports. To address these issues, Trueman Change has put forward the following recommendations:

- 4.76 **RECOMMENDATION:** The Council hosts an annual VCS Conference to showcase what the sector and the Council have achieved together, which can be built upon the existing annual reports.
- 4.77 **RECOMMENDATION:** Information on the Council's website to be reviewed to provide support to new organisations within the area.

## 5. Summary of Recommendations

Issue	Recommendation
Application Process	1. With the rollout of the new grant management system within Oracle Fusion, and to create greater capacity within the Voluntary Sector Grants Team, it is recommended that a proportionate sample of VCS organisations receive an annual site visit. This approach will strengthen monitoring practices and promote consistency across each grant.
	2. Commissioners and the Voluntary Sector Grant Team should implement a tiered monitoring approach based on grant size, providing additional oversight for higher-funded grants compared to those with lower funding. This will ensure that resources are focused on projects with larger financial impact, allowing for a more effective and risk-adjusted monitoring process.
	3. The Voluntary Sector Grants team to implement and conduct training for all commissioners, outlining the required processes to be followed when tendering grants.
	4. A thorough review of the CIL funding monitoring process as part of the launch of a new neighbourhood working model is recommended to address these concerns.
	5. That the Council's Internal Audit function be deployed to forensically review performance of organisations in receipt of large grants.
	6. The Council should adopt and publish corporate principles aligned to the Council Plan 2024-2027 and Vision 2030, which should be applied to future decisions in respect of grant funding: <ul style="list-style-type: none"> <li>• Auto-renewals and direct awards for organisations should be scrapped</li> <li>• Grants of over £150k to be commissioned via contract</li> <li>• Grants below £150k to be awarded according to the existing corporate grant funding process</li> <li>• Standardisation of grant period/duration to provide stability and certainty to the Council and the sector</li> <li>• Equality Impact Assessment to be undertaken in all commissioning or grant funding processes and when considering decommissioning too</li> <li>• Where organisations have been unsuccessful in application for a grant</li> </ul>
	7. The Council should begin the change process described above with organisations in receipt of large and multiple grants.

Administration Costs could be reduced	<p>8. Once the grant management system is fully operational, a comprehensive review of the SCVO and Sandwell Consortium grants for management and administration should be undertaken to assess whether these grants can be managed internally. This transition could potentially lead to significant cost savings annually of over £237,397 for the Council.</p> <p>9. Subject to a review of capacity of the Council's Welfare Rights Team, a detailed review of the current advice services funded by the Council should identify overlaps and areas for consolidation with a view to making savings on the General Fund and other budgets.</p> <p>10. That an administrative fee of £5,000 be applied to the administration of externally funded grants by the Voluntary Sector Grants Team to ensure that the Council is not further subsidising the cost of grant administration.</p>
Reduce Spend on Long Term (10 Year+) Arrangements	<p>11. Conduct an in-depth analysis of each of the top 10 organisation's costs in relation to the funding received from the Council.</p> <p>12. Immediately remove the autorenewals process with all organisations required to apply for their grant annually.</p>
There Is Duplication in Funding of Some Activities	<p>13. Conduct a mapping exercise to identify the locations served by each service, highlighting potential overlaps and areas for collaboration.</p> <p>14. A thorough review of the auditing process for the Welfare Rights Team is essential, focusing on how concerns are raised and shared.</p> <p>15. The Council should establish a small budget to be realised from savings identified from this review to use as 'seed funding' for groups and organisations supporting new and emerging communities in Sandwell.</p>
Current Capacity of the Voluntary Sector Grants Team & the New Role of The Team	<p>16. The Council should designate a Strategic Lead Officer for the Voluntary and Community Sector to continue and enhance relationships with infrastructure bodies and other VCS organisations.</p> <p>17. The Council should consider an ongoing training and development programme for the VSGT as its role evolves following future changes arising from this review.</p> <p>18. The Council should consider how commissioners and the VSGT can work together to lever in more external funding to support the VCS in order to reduce pressures on the Council's General Fund Revenue Budget</p>
Relationships between VCS Organisations and the Council could be clarified.	<p>19. The Council hosts an annual VCS Conference to showcase what the sector and the Council have achieved together, which can be built upon the existing annual reports.</p> <p>20. Information on the Council's website to be reviewed to provide support to new organisations within the area.</p>

## 6. Conclusion

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- 6.1 In conclusion, the Sandwell Community and Voluntary Sector (VCS) plays a pivotal role in supporting local communities through a variety of services and initiatives. This comprehensive review commissioned by Sandwell Metropolitan Borough Council has provided valuable insights into the effectiveness of current funding mechanisms and highlighted areas for improvement. The VCS organisations have welcomed this review and provided valuable insights via the survey, focus group and individual meetings. The findings emphasise the need for greater clarity and transparency in funding processes, as well as the importance of a streamlined application and compliance procedure. The introduction of a new grants management system is expected to enhance efficiency and accountability, ultimately benefiting both the voluntary sector and the communities they serve but furthermore there is a need to get a better understanding of the sector and look at potential ways to reduce expenditure. Moving forward, it is crucial to address the challenges identified in this report to ensure that funding is allocated effectively and equitably, fostering a resilient and inclusive community.
- 6.2 Throughout this report, Trueman Change has included several recommendations aimed at creating a fairer and more transparent application process, as well as generating financial savings in the years to come. In particular, the implementation of a grant management system is crucial. Additionally, a review of the Sandwell Consortium and SCVO's yearly grants should be conducted, as these could potentially be managed internally within the Council. Furthermore, a comprehensive review of the Council's grants, which have been in place for over 10 years, is necessary to ensure that funds are being used effectively. The lack of corporate oversight has been ineffective for several years, and this review will ensure proper oversight and accountability of these long-standing grants.