

**Report for:****Cabinet**

Date of Meeting: 2 December 2025

Subject: **Strategic Grants renewal 2026/27 and 2027/28**

Cabinet Member: Cllr David Wulff, Cabinet Member for Quality of Living, Equalities and Public Health

Responsible Officer: Richard Marsh, Director of Economy and Place

Exempt: No

Wards Affected: All Wards

Enclosures:

Section 1 – Summary and Recommendation(s)

To agree the level of grant funding for external agencies under the Strategic Grants Programme for a 3 year period (2026/27, 2027/28 and 2028/29) with a forward recommendation to Cabinet.

Recommendation(s):

That Cabinet:

- 1) A Strategic Grant funding programme of £120,000 per annum be approved for 2026/27, 2027/28 and 2028/29;**
- 2) The Grant continues to be allocated to individual organisations as set out within Table 1 (contained within the report) for 2026/27 with 2027/28 and 2028/29 to be confirmed.**

As recommended by the Community, People and Equalities PDG

Section 2 – Report**1 Introduction**

1.1 Mid Devon District Council values the role of the community and voluntary sector in providing key services to the community, meeting the needs of Mid

Devon residents, particularly the most vulnerable, and helping to deliver the Council's Corporate Objectives.

- 1.2 The Council's Strategic Grants programme has been operating since 2005. The awarding of grants to external agencies is a discretionary function of the Council. It has no statutory responsibility to provide a Strategic Grants programme.
- 1.3 The purpose of the programme is to provide grants towards core running costs to help underpin the viability and operability of not-for-profit organisations. The underpinning of strategic external partners enables these agencies/organisations to bid for project funding from other grant providers, which continues to be more accessible than grants towards core costs.
- 1.4 Strategic grants are intended to support organisations which provide services that:
 - Supplement Council service provision;
 - Demonstrably contribute to the Council's priorities (detailed by strategic alignment with the Council's aims and objectives in its Corporate Plan);
 - Offer choice to residents;
 - Bring social and economic benefit (as gauged by the level of service provided by the organisation based on their outputs and outcomes as well as any added social environmental and economic benefits of the services provided);
 - Provide best value; and
 - Cover the whole of the District.

2 Previous Grant Review (2023)

- 2.1 The Council offered a three year funding programme (2021-2024) to seven community and voluntary sector partners, whose services were seen to be of strategic importance in supporting Mid Devon's vulnerable residents and/or who contributed to the local economy through their support to the tourism sector.
- 2.2 In 2023 a full grant review took place to:
 - ensure that the Council's Strategic Grant investment met the needs of its resident and business community and supported the Council's own priorities as expressed in its Corporate Plan;
 - allow strategic partners to report back to Members on what has been achieved with the previous round of funding, and;
 - ensure that funding achieves real outcomes for the District and value for money for taxpayers.
- 2.3 As part of the comprehensive review, and reflective of the continuing pressures on local government finances, it was considered necessary to cap the future total strategic grants budget at £120,000 per annum. Members agreed a two

year programme to cover the financial years of 2024/25 and 2025/26. The current funding arrangement therefore comes to an end on the 31st March 2026.

2.4 The level of funding committed to respective organisations over the two years (24/25 and 25/26) was agreed at:

Table 1: Funding Allocations

Organisation	Grant Service Area	Grant Award (per annum)
CITIZENS ADVICE	Welfare Information and Advice (supporting Housing)	£13,950
CHAT MID DEVON	Welfare Information and Advice (supporting Housing)	£11,250
GRAND WESTERN CANAL	Economy and Tourism Support (supporting Economy)	£38,250*
INVOLVE	Voluntary Sector Infrastructure Support (supporting Community)	£10,200
TIVERTON MUSEUM OF MID DEVON LIFE	Economy and Tourism Support (supporting Economy)	£23,375
MID DEVON MOBILITY	Community Transport Services (supporting Community and Economy)	£19,800**
TOURIST INFORMATION SERVICE	Economy and Tourism Support (supporting Economy)	£3,400
Total Grants		£120,225***

*The Council's contribution to the Grand Western Canal is expected to continue to be funded from New Homes Bonus. Should this be discontinued, an alternative source will be identified.

**Of which £5,600 is deducted at source to pay for rental of Shopmobility Office in MSCP

*** The additional £225 funded from the General Fund.

3 Strategic Grants Review and funding for 2025 onwards

3.1 While significant financial pressures continue to exert themselves upon Local Authority and public finances generally, the value of Mid Devon's Strategic Grants to beneficiaries in Mid Devon is fully recognised and understood. It is also recognised that through the services that these organisation provide, the Council is supported in achieving its own goals and objectives for residents and communities. With this in mind, no reduction to the Strategic Grant budget (£120,000 p/a) is proposed for future years.

3.2 Furthermore, as a comprehensive review was undertaken through the last Strategic Grant review, it is not proposed that a further review process be undertaken at this time. Instead, it is recommended that Members agree to continue to provide grants to each respective organisation as set out in Table

1. It is hoped that continuing grant levels at the previously agreed level will give certainty to beneficiary organisations and avoid a complicated and time-consuming review process.

3.3 Given the current programme of works relating to Local Government Reorganisation (LGR) within Devon, it is also considered that a 3 year grant funding programme (covering 2026/2027, 2027/2028 and 2028/2029 financial years) would be appropriate. This will take the Strategic Grants into the first year after the formation of any successor Authority to Mid Devon District Council and will allow that new entity some time to consider any successor grants to the Mid Devon Strategic Grants. This will also avoid uncertainty for grant recipients at the time of the formation of the successor Authority.

3.2 Subject to approval by Members, and in order to give voluntary and community sector organisations sufficient notice of intended funding levels for 2026/27, the following timetable is expected to be followed:

Milestone	Date
Decision by Cabinet	02/12/2025
Grant Funding Agreements Issued	W/B 08/12/2025
Raise Grant Payments	01/04/2026

4. Recommendation

4.1 With the above in mind, is it recommended that:

- 1) A Strategic Grant funding programme of £120,000 p/a be approved for 2026/27, 2027/28 and 2028/29, and;
- 2) The Grant continue to be allocated to individual organisations as set out within Table 1 (contained within the report).

Financial Implications: The funding available for the 3 year period (2026/27, 2027/28 and 2028/29) will be £120,225, of which any grant award to the Grand Western Canal will be funded from New Homes Bonus (whilst available) and the rest/balance from General Fund.

Legal Implications: The Best Value Statutory Guidance has been updated since it was initially issued by the Department for Communities and Local Government in September 2011. Setting out the Government's expectations for councils considering changing funding to local voluntary and community groups.

The guidance allows councils the flexibility to exercise appropriate discretion in considering the circumstances of individual cases, while advocating the need for authorities to:

- avoid passing on disproportionate reductions by not passing on larger reductions to the voluntary and community sector as a whole, than they take on themselves;
- give at least three months' notice of any reduction or termination of funding to both the organisation and public/service users;
- make available all appropriate information in line with the government's transparency agenda.

The updated guidance also emphasizes the importance of:

- Effective communication between key officers (Head of Paid Service, Section 151 Officer, and Monitoring Officer).
- Taking action when resources are not used effectively and when a credible workforce strategy is lacking.
- Transparency and public scrutiny of local authorities' improvement work.

Risk Assessment: The recommendation is to maintain the strategic grants at the same level of funding for each organisation.

If the Council decided to make a significant reduction/changes in established grant allocations this may risk a challenge from (a) external organisations under public law and/or (b) the Secretary of State for Communities and Local Government. Reductions to selected agencies introduced within a short period of time may have a negative impact on the activities and services provided by those agencies to residents and could result in negative publicity/service delivery for the Council. If the Council decide to reduce the strategic grants a full review should be undertaken to mitigate this risk and this should be factored into the timetable/communications to funding beneficiaries issued asap.

Impact on Climate Change: These grants ensure residents are able to get information and advice through locally delivered services. Accessing local cultural, leisure and green space opportunities reduces travel and related environmental impact.

Equalities Impact Assessment: Ensuring that our most vulnerable residents are able to access information and advice is important to the Council and is supported through the provision of Strategic Grants. Under the Public Sector Equality Duty, when making funding reduction decisions, Local Authorities must have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that the Equality Act 2010 prohibits;
- Advance equality of opportunity; and
- Foster good relations between those individuals who share a relevant protected characteristic and those who do not.

This means that decision-makers must consider the impact of any proposed cuts on the needs of those with protected characteristics.

Strategic Grants are paid under Grant Funding Agreements (not Service Level Agreements). The current grants were awarded in 2024 for a period of two years,

with the funding agreement ending March 2026. Therefore, no guarantee has been made regarding a continuation of funding after this period. However, equality impacts should still be considered when making funding decisions.

While the recommendation is not to make any cuts to the programme itself or change any funding awards, it is important to note that rising costs (e.g., utilities, staffing, materials) may mean that organisations experience the effects of a real-terms reduction in funding.

Should any changes be sought to overall funding provision or to individual funding awards, the equalities impacts of these should be fully considered before any decision is made.

Relationship to Corporate Plan: The allocation of grants provides support to external agencies delivering services that advance the Council's Homes, Community and Economy priorities.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 18.11.25

Statutory Officer: Maria De Leiburne

Agreed on behalf of the Monitoring Officer

Date: 18.11.25

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 18.11.25

Performance and risk: Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 09.10.2025

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Amy Dugard – Growth and Regeneration Officer

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Background papers: