

Groups angry over 'closed shop' fund

Glasgow City Council under fire after communities told they can't apply for cash

BY RICHARD BAYNES

FURIIOUS community groups have lodged an official complaint over what they say is unfair distribution of a massive dose of cash for good causes in Glasgow. They say Scotland's biggest council has broken strict rules on getting best value for money, and have called on watchdog Audit Scotland to investigate.

Glasgow City Council last month decided which organisations would share £40 million next year from its Integrated Grant Fund (IGF) for organisations that help people in the city. Most of the grants for the following two years were decided as well, bringing the total allocated to more than £100m.

Many good causes did receive cash. But others say they were told they could not even apply for the grants. It is claimed dozens of organisations are left high and dry by the system.

The council has emphatically denied the system is "closed". It says though priority is given to organisations previously funded, other groups can apply for what's left, but critics say with a dwindling

budget any amount left over for new groups is tiny.

Maria Fletcher, who chairs the Heart of Scotstoun Community Centre in the west of the city, said the system breaks best-value rules, and amounts to a closed shop, stopping new groups developing.

Her organisation is thriving but badly needs funding such as the IGF gives other groups. It has relied on professional staff working unpaid just to stay open.

Centre bosses had expected to be able to apply for more than £30,000 a year of IGF money but she says they were told by council officers not to apply as they had not had major grants before.

Other similar community centres have had grants of around £60,000 for the next year.

She said: "This is a shocking aberration. We are angry – we are incandescent about this."

Fletcher has been backed by her local SNP councillor Graeme Hendry, who says there are dozens of organisations denied the chance to apply to the IGF: "The council is trying to avoid making difficult decisions," he said.

"We know the reality is that we can't continue to fund everything that we do at the moment, but we



Best value: Graeme Hendry

have an obligation every year to get the most out of our money and deliver the best services ... and if we are saying each year we are excluding new people and not giving them a chance to come in and say they could deliver better or more for us, then we can't be sure we are getting the best value for money."

Heart of Scotstoun (HoS) has now filed an official complaint to the council chief executive, and sent the complaint to official watchdog Audit Scotland. It is also starting an online petition to press for a

change in council policy. Home-Start Glasgow North has lodged a similar complaint, and at least one other organisation is expected to follow suit. Home-Start would have used IGF money to train its volunteers who provide support to struggling young families, backing up the council's own social services.

HoS has raised hundreds of thousands of pounds for building and other one-off projects but, like most, such centres hoped to rely on funds such the council's IGF to pay core staff.

Fletcher said: "We are not the sort of organisation that will just sit here and rely on handouts, but in an organisation like this it will never be enough to pay full-time salaries – you can't do that out of renting space and raffles.

"We have raised the issue with the council over two years. It's great for the existing grant holders ... and I'm sure many if not all of them are very worthy. However there are many others like ourselves who cannot access the funding ... organisations who are equally or more worthy.

"It is patently unfair and contrary to an important statutory duty."

A council spokesman said:



Maria Fletcher described herself as 'incandescent' after the community centre in Scotstoun was deemed to be ineligible for the staff funding

sector partnerships and its area partnership grants programme, and the IGF Social Enterprise Fund in 2015/16.

But Hendry said referring to area partnerships and enterprise funds is misleading as they give one-off grants to support specific work, not for staff costs. Heart of Scotstoun has received just £4000 from such grants in the past two years.

"In my view the council has excluded Heart of Scotstoun from any realistic prospect of mainstream funding due to their operation of the IGF," he added.

Audit Scotland told Fletcher though it does not consider specific complaints it can consider concerns that indicate significant or major issues of poor value for money from the use of significant amounts of public resources.

The team that audit the city council will take the HoS and Homestart complaints into consideration when it looks at the city council's finances over the next nine months.

Hendry added the funds are now fully committed for the next two years. Any future headroom to award grants to new organisations would come from either under-spent or new sources of funds, neither of which are thought likely.

"The IGF gives priority to funded organisations that meet programme objectives.

"However, it is absolutely not the

case that other organisations are unable to apply for funding and Heart of Scotstoun itself has successfully secured funding by at

least two different routes in recent years."

It pointed to two avenues for groups to access funding, through