



ADUR & WORTHING
COUNCILS

**Record of Officer
Executive Decision**
Ref. No: DforC/018/17-18
Date of Decision: 29 March 2018

If you have any questions about this decision, please contact 01903 221006 or email heather.kingston@adur-worthing.gov.uk

Record of Decision: To continue, in 2018/19, donating the income generated from textile recycling (c. £12,000) in Worthing to [Community Chest](#) - a local grant giving organisation.

Decision taken by: Mary D'Arcy, Director for Communities

Declaration: I do not have a disclosable pecuniary interest, or conflict of interest.

Delegated authority: 2.7.1, 2.7.6 (In consultation with the Solicitor to the Councils and Head of Finance, 2.7.10).

Decision:

Community Chest to continue to receive the income generated by the [fourteen](#) textile recycling banks in Worthing for the duration of the new financial year. That a review of the arrangements between WBC and Community Chest will also be undertaken in the forthcoming year.

Context:

The purpose of this report is to document, in an open and transparent manner, the way in which community groups such as Community Chest are financially supported by Worthing Borough Council. In addition, this decision aims to give some clarity and assurance for Community Chest regarding financial support for the upcoming year.

Worthing Community Chest is “a local charity whose aim is to support projects and activities in Worthing that enable social and economic well being. They do this through a grants project, awarding up to £1,500 to community groups and charities in the town. They will consider supporting any group in the area who match their [criteria](#) and whose objective is to improve the community.”

Community Chest are a charitable company (limited by guarantee) and own a property in Worthing called 'Renaissance House'. They rent this to commercial tenants and they add this profit to the income from Worthing Borough Council. In 2016/17 Community Chest had a total income of £81k and outgoings of £69k. They made 23 grants to Worthing groups, totalling £23,132. Other expenditures for the organisation include property, organisational and staff costs.

Community Chest take applications for grants three times a year and a panel, made up of past-funded groups, decide whether projects are successful.

Community Chest have received financial support from Worthing Borough Council for over ten years. In recent years this has been a grant payment (£8,240) and the proceeds from local textile recycling (c. £12,000+) each year. This funding model was decided over ten years ago and the decision making process unrecorded. In other Local Authorities, there is a mixture of the income from textile recycling staying within the Council, whilst others also grant this to charities.

Due to the growing budget constraints of Local Authorities, in February 2018 Worthing Borough Council took the decision to no longer pay the annual grant of £8,240. However, in the last eighteen months, Council Officers and Community Chest have worked hard to market and publicise the benefits of textile recycling to residents and consequently this has seen a significant rise in recycling and income for Community Chest. The total income from textile recycling in 2016/17 was £12,134, and from April 2017 to January 2018 it is £17,462 with two more months to go. This already equates to a 44% increase in this income.

During this upcoming financial year, it is decided that Community Chest will continue to receive the income from Worthing textile recycling banks. In addition WBC commits to a further review of the arrangements between WBC and Community Chest, in the coming year, that will take into consideration;

- The great work and efforts of Community Chest and the good relationship held between Community Chest, elected members and Council Officers.
- The number of worthwhile groups who have been supported by Community Chest.
- That any future assignment of textile recycling income is open and transparent.
- It is a strong “good news“ story, that rags make riches, and may be part of the reason for the success of the marketing of the scheme.
- However, it is acknowledged that this model does present some risk:
 - The textile recycling income is not a guaranteed source of income for Community Chest and,
 - The income is reliant on continued effective PR, as well as the contracted processing company (D& M) providing a similar return rate going forward.
- Community Chest have a small office space in Worthing Town Hall which is rent-free. The lease runs until 28th April 2019.
- Worthing Borough Council does not have any say as to whether Community Chest applications are successfully funded or not, nor do the priorities align closely with those evidenced by the Council’s Communities and Wellbeing team.
- Community Chest, in the last financial year, spent 37% of their income on staff costs (£26k). This includes administering their rented property, Renaissance House.
- It is useful to add, that there are also textile recycling banks in Adur and the proceeds go to charities nominated by Adur District Council’s Chairperson.
- West Sussex County Council are about to pilot a new crowdfunding model for their County Local Committee (CLC) grants, starting in April 2018.
- Council Officers are duty bound to seek the best value and use of resources for local taxpayers.

Key Decision: No, due to the value of the spend.

Reason for the Decision:

- To honour the existing relationship with Community Chest for the financial year 2018/19 as outlined in the Council's agreed budget and service planning.
- To ensure full transparency in the decision making process around the allocation of the textile recycling income.
- To ensure there is a further review of the arrangements between WBC and Community Chest going forward.

Alternative Options Considered:

1. To make no changes to the previous funding arrangements - not deemed prudent given the financial constraints of the Council.
2. To award a grant but remove or re-allocate part of the funds raised from textile recycling - not deemed practical given the need for Community Chest and their continued support for community groups in Worthing.

Future options will be considered as part of the review going forward.

Other Matters Considered:

Legal Advice and Issues	✓	Financial Advice and Issues	✓
Sustainability Issues	✓	Equality Issues	✓
Community Safety Issues	✓	Human Rights Issues	✓
Reputation	✓	Risk Assessment	✓
Health and Safety Issues	✓		

Consultation:

Community Chest, Council Officers and elected Members have been consulted.

Background Papers:

None.

Call-in: The call-in deadline for this decision will be 5:00pm on Monday 9 April 2018.



Signed:

Name: Mary D'Arcy. Director for Communities

Dated: 29 March 2018

Decision Ref No: DforC/018/17-18