

<b>Item No.</b> 11.	<b>Classification:</b> Open	<b>Date:</b> 9 February 2016	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Creation Trust Funding Agreement 2016/17 – 2020/21	
<b>Ward(s) or groups affected:</b>		Faraday	
<b>Cabinet Member:</b>		Councillor Fiona Colley, Finance, Modernisation and Performance	

## **FOREWORD – COUNCILLOR FIONA COLLEY, FINANCE, MODERNISATION AND PERFORMANCE**

The Creation Trust was established in 2009 to lead on the social regeneration on the Aylesbury Estate. Since then the physical regeneration of the estate has commenced with the completion of over 250 new homes, and a long-term partnership now in place with Notting Hill Housing Trust to drive forward the future plans for the regeneration of the area.

Creation Trust has been a key local partner in supporting and challenging the council and its partners in delivering on the programme of physical regeneration, whilst delivering services that provide information, support and guidance for local residents through all the changes that are taking place.

This report therefore asks cabinet to agree to grant fund Creation Trust for the next five years subject to the council's standard terms and conditions, in order to enable the Trust to continue their work in and on behalf of the local community.

### **RECOMMENDATION**

That the Cabinet:

1. Approves a total of £1,000,000 of grant funding to be distributed to Creation Trust over the period 2016/17 to 2020/21 for the objectives set out within the Creation Trust business plan that is outlined in this report.

### **BACKGROUND INFORMATION**

2. Creation Trust (a company limited by guarantee and whose formal name is New Aylesbury Trust Ltd.) is the successor body to the Aylesbury New Deal for Communities (NDC). The Trust is led by a board of trustees that includes nominated resident representatives, including leaseholders of the estate and local ward councillors. As a result of this democratic accountability, Creation Trust is a representative body which provides a key mechanism for consultation and communications with the community as part of the regeneration of the Aylesbury estate, as well as helping to bring the wider social and economic benefits of the regeneration to local residents.
3. In June 2015 the cabinet member for finance, modernisation and performance agreed a

one year funding agreement of £250,000 to enable Creation Trust to fund a range of activities, including resident engagement and supporting residents into employment to support the regeneration of the Aylesbury estate. This was a continuation of the council funding the Trust which began in 2010, following the end of the NDC programme.

4. As part of the 2015/16 funding decision the council committed to continue to work with Creation Trust during 2015/16 to develop a longer term funding solution for the Trust which has regard for the future regeneration plans. This would include consideration of council funding beyond 2015/16 and working with the Trust to develop options for longer term sustainability. This report is the culmination of those discussions and proposes the Council awarding grant funding to the Trust for the period 2016/17 – 2020/21.

## **KEY ISSUES FOR CONSIDERATION**

5. The June 2015 IDM report set out a range of projects and activities that Creation Trust has been delivering since the council began funding the Trust in 2010. These include projects to support residents in engaging with the regeneration programme, provision of services for young people, delivering worklessness programmes for local residents and ensuring that local people are able to access the employment and training opportunities that the early development of the site has brought forward. These projects have continued to deliver strong outcomes in 2014-2016, including:
  - 84 people were assisted into work in 2014/15 through the SE17 Working Programme. A further 88 confirmed job outcomes have been secured to date in 2015/16.
  - Working in partnership with Citizens Advice Bureau (CAB) which now delivers sessions especially dedicated to residents from the Creation offices.
  - Supporting residents to access SIA and CSCS badges which allow them to get jobs in security and construction, enabling residents to access the employment opportunities opened up by the regeneration.
  - Delivering IT classes for older people to support older people to engage in the bidding process for rehousing.
  - Community leadership amongst local community organisations.
  - 10 events under the “put it in the map” street naming project – the new names are being used in the next phase of the regeneration.
  - Established a new community space on Phase 4. The Missenden programme centre offers a space in the heart of the estate for small meetings and projects. It is also used as a job search space for SE17working.
  - A new website to improve access to the Trust and engagement with residents.
  - On-going support for residents as part of the regeneration, including support for older people and helping leaseholders through the process of selling their homes back to the council and supporting them into new homes.
6. In April 2014 the Council signed a Development Partnership Agreement (DPA) with Notting Hill Housing Trust for the redevelopment of the estate. More recently in April 2015, planning permission was granted for a detailed application for the first of the sites to come forward under the agreement with Notting Hill and an outline masterplan for the rest of the site. In early 2016 a reserved matters application is expected to come forward for the site of the former Amersham centre, which will include a range of community facilities, including a new library, a health centre and pharmacy, early years facility, community space plus public open space and approximately 120 residential units.

7. Within the DPA, one of the minimum requirements on Notting Hill, as the council's development partner, is the payment of £250,000 per annum to the council for five years from 1 April 2015 by way of a Community Contribution to deliver services and activities on the Aylesbury. These services are intended for the benefit of the residents of the estate and its immediate surrounds. The council is required to determine how that funding is best distributed and how the funding of services and activities is managed. In 2015/16 the council determined that the most appropriate use of these funds to support the regeneration of the Aylesbury was for the continued funding of Creation Trust to deliver their core activities in line with the Trust's business plan.
8. During 2015/16 council officers have been progressing discussions with Creation Trust over the future of the organisation in the light of the plans for the regeneration of the estate over the coming years. The next five years of the regeneration will see significant changes to the community; the funding of a single, stable community organisation will enable continuity of support and advice to be provided to the existing community, whilst also supporting and integrating new residents into the area. During this period there will be the commencement of significant development activity on the first development site and the former Amersham site which will see the first new homes for Aylesbury residents to move into becoming available. Within five years it is also anticipated that development will have commenced on Phase 2 (the blocks to the East of Thurlow Street including Wendover, Wolverton, Foxcote, Padbury, Ravenstone, Winslow and Brockley House) of the regeneration. Detailed consultation and engagement on plans for Phase 2 will therefore be taking place and reserved matters planning applications will be coming forward. More immediately, rehousing of residents on Phase 2 will continue before the rehousing of residents in Phase 3 commences in the next couple of years.
9. As set out in paragraph 8 of this report the council has £1m of community funding to distribute locally on the Aylesbury funded from receipts from Notting Hill Housing under the DPA. Therefore within the context of the planned activity over the next few years the council has been progressing work on a five year funding agreement for Creation Trust for a total of £1m to fund the core activities the Trust to support the development and to enhance community engagement on the Aylesbury estate over the period 2016/17 to 2020/21.
10. The original intention as set out in June 2015 IDM report was that this funding would be phased over four years, but following discussions on the plan of regeneration activity and the anticipated scope and work of the Trust and other partners over the next few years, a distribution of the available funding over five years has now been proposed by Creation Trust in line with their latest approved business plan.

#### Creation Trust business plan

11. The Creation Trust board approved the Trust's business plan for 2016/17 (which included consideration of longer term objectives and activities) at its November board meeting. This business plan identified the Trust's vision as:
  - "Creation is helping transform the Aylesbury Estate into a thriving neighbourhood through delivering social and economic change"
12. To achieve this vision Creation identified six objectives which focus on the twin themes of

People and Place in relation to the Aylesbury and which is where the Trust will focus their activity during 2016/17 and beyond. Outcomes delivery, funding, organisation and performance assessment will therefore be structured against these six areas. These objectives are:

- Delivering youth programmes to increase educational attainment, improve well-being and reduce anti-social behaviour
  - Supporting vulnerable residents who are isolated and at risk with a focus on supporting those in active phase delivering services for adults to improve their skills, economic opportunities and well-being
  - Providing residents with opportunities and information to encourage them to participate in their local community
  - Representing residents on relevant decision-making forums in order that their voice is heard especially in relation to housing and regeneration issues
  - Campaigning to improve the local community through supporting effective regeneration, working to reduce crime, lobbying for community facilities/services and housing standards.
13. This work programme aligns closely to those of local partners including the council and local community groups in the area. Creation will continue to discuss the services it delivers with the council and with Notting Hill Housing to ensure that there is a joined up and holistic offer of services to local residents.

### **Funding proposal**

14. Following approval of the Trust's business plan for 2016/17, the council now puts forward the five year funding proposal for agreement. Paragraph 24 of this report sets out the schedule of how this funding is proposed to be distributed.
15. Creation Trust is currently delivering a huge number and range of quality activities and services already on the Aylesbury and so the council considers it prudent to not commission other providers to deliver similar activities and services when an established community trust is already delivering for the benefit of local residents. The funding of other providers to deliver similar activities locally could have the potential to create greater uncertainty at a time of huge change for local residents.
16. Within the context of the need for continued and enhanced resident engagement over the next few years, to support local residents to be able to take the employment and training opportunities that a long term regeneration project can offer, and to create a sustainable community on the Aylesbury in the future, the council considers it important that Creation Trust's core activity continues to be funded as the regeneration progresses. Creation Trust has a history of delivering these outcomes and is committed to working with the council to ensure that any future Aylesbury residents will be moving into a sustainable community.
17. Alongside council funding, Creation Trust also currently receives funding from other organisations to deliver specific projects and outcomes that complement their core funded activities. Based on 2016/17 funding this currently gives the Trust approximately £290,000 per annum to spend on restricted project outcomes and a further £65,000 of unrestricted spend, giving a total income of just under £600,000 per annum. The Trust currently also

has a number of further applications for funding pending and will continue to seek funding for projects over the period 2016/17 to 2020/21 to benefit residents and the wider community. Over the next five years of this agreement the council will continue discussions with Creation Trust over the future of the Trust beyond 2021.

18. The funding will be provided to Creation Trust on the basis that it will be used to deliver the core functions and activities of Creation Trust in line with the Trust's business plan objectives as set out above for 2016/17 and beyond. Following scrutiny of the Trust's accounts and financial statements the council considers this amount to be appropriate for the delivery of the Trust's core business and appropriate to the scale of both the estate and the regeneration plans that are in place.
19. In funding Creation Trust, the council believes that the Trust is in a unique position locally to be able to deliver some of the socio-economic outcomes associated with the regeneration of the Aylesbury. It is a strong local voice, representative of the local community and has good links to residents and local voluntary, community and commercial organisations.
20. As a condition of the grant funding agreement to Creation Trust, the council will require the Trust to adhere to the reporting and monitoring arrangements as set in the conditions of grant funding. This will include mid-year and annual reporting at the end of quarter 2 and quarter 4 respectively in each year of the agreement.
21. As the area is regenerated over the next few years the area will change considerably. The council is therefore committed to supporting the community through that period by the funding of the Trust over the next five years. Beyond this horizon it is difficult to determine what type of community organisation is most appropriate for the area over the long term. The council and Creation Trust have therefore agreed that the 2020/21 will mark the end of council funding to Creation. Creation Trust has however identified reserves which will enable it to continue delivery for a further year beyond the end of council funding in 2020/21. Notwithstanding this the council is committed to continuing to support the Walworth community locally and will work with Creation Trust, Notting Hill Housing Trust and the wider community to determine a sustainable long term proposal for community engagement in the area as it changes over time.

### **Community impact statement**

22. The Aylesbury estate has a wide range of cultures, languages spoken and individual personal circumstances of residents that need to be considered when delivering services on the estate. The Creation Trust board includes local Ward Councillors and local residents, and its existing work in the community means that it is uniquely placed with its in-depth knowledge of individuals and groups on the estate to understand the diverse needs of the community and how services should be tailored and made accessible for specific groups.
23. The approval of the funding to Creation Trust will have a significant and positive impact on local people. The availability of core funding support to Creation Trust during 2016/17 to 2020/21 will assist the Trust in its delivery of key programmes providing important services to the community. These will be developed in consultation with the council and Notting Hill to complement those services currently provided in the local area but will also facilitate access to a wider and far reaching range of stakeholders.

24. By focusing the outcomes it delivers on residents, Creation Trust aims to meet the needs of all protected characteristics groups. In making the proposal to fund Creation Trust the council has considered the Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010, specifically; to have due regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct and advance equality of opportunity. Creation Trust will deliver this through its projects providing the means for local people to engage in the labour market, improve socio-economic outcomes and individuals' wellbeing, and through their community engagement programmes foster good relations between people with protected characteristics and those without.

### Resource implications

25. In April 2014 the council signed a Development Partnership Agreement (DPA) with Notting Hill Housing Trust for the development of the Aylesbury development area. Within the DPA there is a commitment, expressed in the form of a minimum requirement in the contract, for Notting Hill to provide grant funding to the Council of £250,000 per annum for five years from 1 April 2015 in the form of a Community Contribution.
26. It is the council's responsibility to administer this Community Contribution to the local area as it sees fit.
27. The council has received and utilised the first annual payment of the Community Contribution to fund Creation Trust during 2015/16 through the council's standard grant funding agreement.
28. This leaves £1m to be paid to the council from Notting Hill over four years from April 2016. In agreement with Creation Trust, rather than distributing this funding to Creation at £250,000 per annum over four years this has been re-profiled and will be released to the Trust over five years in the schedule of annual payments set out in the table below.
29. The council is now proposing that further funding of £1m is awarded to Creation Trust over five years for the delivery of activities as set out in this report, and within the schedule of annual payments proposed in the table below.

Year	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Funding	£220,000	£220,000	£220,000	£220,000	£120,000	£1,000,000

30. The total funding to be received from Notting Hill remains the same and Notting Hill's payment profile remains unaffected.
31. The mechanism for the release of revenue support, time frames and payments will be captured in the grant funding agreement, with payments to the Trust made quarterly in arrears. Furthermore, the agreement will set out the areas where such payments can be reduced, delayed, stopped or clawed back.

### Consultation

32. Consultation with both the Chief Executive of the Creation Trust and its board members has been undertaken regarding the details of the funding agreement and they are happy with the proposals. In developing these proposals the Council has also had regard to the

positive feedback that it receives from local residents at consultation events concerning the regeneration of the estate on the positive role that Creation Trust play in the local area.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Democracy**

33. This report seeks the cabinet's approval to grant funding for the period 2016/17-2020/21 to Creation Trust. Previously grant funding has been agreed on a one year funding basis, but for the reasons noted in this report, it is now intended to develop a longer term funding arrangement which has regard for the future regeneration plans of the area. Paragraph 13 details the objectives which are intended to be met by this arrangement, and whilst this is a longer term agreement, it will retain the usual grant funding requirements allowing reduction, ceasing or claw back of payments in certain circumstances.
34. The cabinet's attention is drawn to the public sector Equality duty (PSED) under the Equality Act 2010, and when making decisions to have regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct, and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to the elimination of discrimination. The cabinet is specifically referred to the community impact statement at paragraphs 23-25 setting out the consideration that has been given to equalities issues which should be considered when agreeing these awards.
35. The cabinet is also referred to paragraph 33 of this report which set out the consultation that has taken place. The cabinet should take into account the outcome of consultation when taking a decision on the recommendation in this report.

### **Strategic Director of Finance and Governance (FC15/050)**

36. The resource implications in paragraphs 26 to 32 are noted. It is observed that funding of £1m will be received from the Notting Hill Housing Trust in four equal annual contributions beginning on 1 April 2016. This is in addition to the £250,000 already received on 1 April 2015. This will be used to provide funding for the Creation Trust of £220,000 in each of the financial years from 2016/17 to 2019/20 and £120,000 in 2020/21, a total of £1,000,000. There will therefore be a net zero effect on council finances over this period.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Creation Trust Funding Agreement 2015/16		Simon Chambers 020 7525 7495
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/documents/s54743/Report.pdf">http://moderngov.southwark.gov.uk/documents/s54743/Report.pdf</a>		
Creation Trust Funding Agreement – 2011-15		Simon Chambers 020 7525 7495
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=2345">http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=2345</a>		
Gateway 2: Contract award approval - development partner for the regeneration of the Aylesbury Estate		Simon Chambers 020 7525 7495
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/documents/s44910/Report.pdf">http://moderngov.southwark.gov.uk/documents/s44910/Report.pdf</a>		
Conditions of Grant Funding		
<b>Link:</b> <a href="http://www.southwark.gov.uk/downloads/download/3348/conditions_of_grant_funding">http://www.southwark.gov.uk/downloads/download/3348/conditions_of_grant_funding</a>		

## APPENDICES

No.	Title
None	

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Fiona Colley, Finance, Modernisation and Performance	
<b>Lead Officer</b>	Neil Kirby, Head of Regeneration South	
<b>Report Author</b>	Simon Chambers, Programme Officer, Regeneration South	
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<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES /CABINET MEMBER</b>		
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