

Item No. N/a	Classification: Open	Date: 20 October 2017	Meeting Name: Cabinet Member for Communities, Safety and Leisure
Report title:		Community Capacity and Environment & Ecology Voluntary Sector programme 2018/19	
Ward(s) or groups affected:		All	
From:		Strategic Director of Housing & Modernisation	

RECOMMENDATIONS

1. That the Cabinet Member for Communities, Safety and Leisure approves the continuation of the 2017-18 Community Capacity and Environment & Ecology (CC & EE) grants to the same organisations at the same level for 2018-19 to allow time for the new outcomes based commissioning model to be put in place. A list of these grants is attached as Appendix 1.
2. That the Cabinet Member for Communities, Safety and Leisure approves bringing the externally-provided homelessness advice service, currently provided by the Manna Society, into the CC & EE programme and to the continuation of funding to the service via a grant of £55,000 for 2018-19.

BACKGROUND INFORMATION

3. The Southwark Voluntary and Community Sector (VCS) Strategy 2017/2022 'Common Purpose Common Cause' was launched by the local VCS, the council and Southwark Clinical Commissioning Group (CCG) in November 2016.
4. The overall ambition of the strategy is to support a sustainable, confident and resourceful VCS that can work alongside the public and private sector to deliver the best outcomes for Southwark residents.
5. An action plan for delivering the strategy is in development. Success in delivering the strategy will deliver outcomes in four key areas:
 - Creating better partnership working to improve outcomes for residents
 - Improved commissioning and grant-giving to focus on outcomes
 - Making better use of community assets to revitalise communities and create preventative places
 - Enable and support more resilient communities that are connected and more resourceful
6. The CC & EE grants programme has a key role to play in leading on the development of new initiatives for each of these priority areas and time is needed so that changes can be explored and developed in collaboration with the VCS.
7. The corporate and departmental arrangements for managing the council's funding of VCS organisations normally require annual commissioning plans to be produced for each separate programme of activity resourced by departments. These plans set out

the business case for seeking voluntary sector service providers, expected links between the council's policies and priorities and the outcomes that are to be delivered by the voluntary organisations which receive grant funding. The plans also make reference, where appropriate, to the contracting of organisations (via Contract Standing Orders) to deliver services.

8. The services to be provided are of Social General Economic Interest, and are applied to the care and social inclusion of vulnerable groups. An equalities analysis of the 2016/17 recommendations was carried out and the Public Sector Equality Duty has been considered.
9. Oversight of the council's relationship with the voluntary sector, the council's Conditions of Grant Funding (COGF) and the overall processes for commissioning services from the VCS comes within the portfolio of the Cabinet Member for Communities and Safety.
10. The process for commissioning grant aided voluntary sector service providers has until now normally involved 3 key stages:
 - Development and agreement of the commissioning plan
 - Advertising and assessment of applications
 - Report & final decisions.
11. For 2018/19 it is proposed to continue to fund the same organisations at the current level. Therefore a new commissioning plan and further application process is not required. The new Common Outcomes Framework will be a one council commissioning plan.
12. For 2018/19 it is also proposed to bring the externally-provided homelessness advice service into the CC & EE programme. This service is currently provided by the Manna Society and is funded via a contract managed by the council's Housing Strategy team. The current value is £55,000 per annum and this will be transferred to the CC & EE budget. This is a drop-in service which provides advice and practical support to rough sleepers, homeless people and those at risk of losing their tenancy / accommodation.
13. Organisations in receipt of grant funding from the council are monitored via the council's performance monitoring framework for grants. This includes an annual monitoring visit; completion of a self-assessment checklist; and submission of financial information including annual accounts and a half-yearly income / expenditure statement.

KEY ISSUES FOR CONSIDERATION

Community Capacity and Environment & Ecology Programme

14. Extending the grants for 2018/19 will allow time for the new outcomes based commissioning model to be implemented and to make changes to the programme so that it can play a major role in contributing to achieving the ambitions contained in the new VCS strategy.
15. The council-wide Common Outcomes Framework will be approved by Cabinet and the CCG. This Framework will be used when drawing up outlines or specifications for contract procurement or grants programmes including this grants programme in the future.

16. The way forward for the CC & EE programme beyond March 2019 will be a focus on outcomes taken from the framework. In addition the council will be consulting on a move to greater flexibility in the grants programme.
17. Options could include a one year programme focused on innovation; 2 years focused on community engagement activities and a 4 year strategic grants programme to include community infrastructure and resources. These would be implemented in 2019/20. These longer time scales would create greater stability and certainty for organisations. However consideration needs to be given as to how the council might be able to withdraw the funding on notice, for example in the event of performance concerns or a breach of the Conditions of Grant Funding. Further work will be carried out on developing the criteria for these programmes and consultation with the VCS and other partners will be carried out.
18. For 2017/18 the Cabinet Member for Communities, Safety and Leisure approved the decision to continue the grants at the same level as for 2016/17. It is deemed that the current grants should be continued for a further year to ensure continuity of service whilst these changes are implemented.
19. Currently funded groups have been written to and asked to notify the council if they did not intend to apply for a grant and no longer need the grant for 2018/19, or if less funding is needed than is received in 2017/18. They are being notified of the proposal to continue funding for a further year at the current level.
20. Where any significant issues are identified during monitoring which could give rise to a breach in the COGF the council will write to the relevant organisation(s) and set out what action needs to be taken. In such cases they will be advised that the funding continuation is subject to their taking the necessary remedial action to address concerns. Failure to do so may result in the council taking the appropriate action to terminate the funding by way of a further report.
21. The homelessness advice service provided by the Manna Society is currently monitored by the council's Housing Strategy team. Current performance is considered to be satisfactory.
22. The council will ensure that the letter advising of the continuation of funding for an additional year explicitly states that there are exceptional reasons for the extension of funding for the year 2018/19 only. Organisations will be advised that there will be a need to consult on options for alternative approaches to funding priorities and processes for this grant programme for 2018/19 onwards.

23. This table summarises changes to the CC & EE programme since 2011/12:

Year	Savings	Groups funding stopped	Groups newly funded	Total funding
2017/18	0	0	0	£729,335
2016/17	£139,025	1 (+2 who chose not to apply)	1	£729,335
2015/16	£161,937	7	2	£851,451**
2014/15	0	0	1	£1,142,404*
2013/14	£60,000	6	4	£1,117,907
2012/13	£77,000	5	7	£1,110,544
2011/12	0	0	0	£1,198,196

** An additional sum of £130k was awarded for the one-year Infrastructure, Training and Volunteering Support Services contract,

* Included a sum of £17,000 made available following a one-off reduction in the council's levy to the London Councils grants scheme

24. The current objectives of the CC & EE programme are to fund organisations that:

- Provide support for Southwark's diverse communities to build a fairer Southwark where people realise their potential.
- Build capacity within the voluntary sector to enable it to play a full and effective role in the development and delivery of the priorities and objectives of the council's plan including the Medium Term Resources Strategy 2015/16 to 2017/18.
- Develop and sustain multi-use facilities aimed at tackling social exclusion in deprived areas and neighbourhoods.
- Support a sustainable and effective voluntary sector which demonstrates the capacity to modernise and innovate and to work in partnership with the council to address the needs of local communities.
- To promote volunteering and support the development of volunteer champions within local communities.

25. These objectives fall within the Council Plan and the ten Fairer Future promises (updated July 2014) to create a fairer future for all in Southwark.

26. The purpose of CC & EE voluntary sector grants programme is to assist the council in meeting its statutory and policy objectives for eliminating discrimination, promoting equality and good community relations, and for tackling poverty and social exclusion. The aim is to fund organisations whose core activities do not fall within service-specific departmental programmes.

27. Commissioning officers will continue to monitor funded groups to ensure compliance with COGF and that they are delivering the funded activities. Payment will continue to be made on a quarterly basis.

28. Two additional clauses were added to the COGF for 2017/18. These cover the council's Diversity Standard commitment and the council's Prevent Duty.
29. Grant funded VCS organisations are now required as part of the COGF to sign up to the Southwark Diversity Standard. Contained within this is a requirement that all subcontractors and service provider pay workers the London Living Wage as a minimum. The council is applying for Friendly Funder Accreditation. Living Wage Friendly Funders support charities to pay the real Living Wage that meets the cost of living through their grant-making.
30. The council has a duty under section 26 of the Counter-Terrorism and Security Act 2015 to have "due regard to the need to prevent people from being drawn into terrorism" in the exercise of its functions. This includes a requirement that the council should take the opportunity when new contracts for the delivery of their services are being made to ensure that the principles of the duty are written in to those contracts. This approach will apply equally to grant agreements.
31. The council's Policy and Resources Strategy 2017/18 to 2019/20 Revenue Budget was agreed in February 2017, in the context of ongoing unprecedented cuts in its budget settlement from government.
32. For 2018/19, it is not anticipated that there will be a reduction to CC&EE programme budgets, but this is subject to the council agreeing its overall budget for that year.
33. In addition the council's Medium Term Resources Strategy 2015/16 to 2017/2018 incorporates a number of outcomes and principles of working with the VCS.

Community impact statement

34. There is a legal duty on local authorities, in the exercise of their functions, to have due regard to the need to promote equal opportunities, eliminate discrimination and to promote positive community relations. The objective of the Community Capacity and Environment & Ecology programme is to empower and enable hard-to-reach communities and those communities which experience discrimination, to achieve a better quality of life.
35. As part of the application process the council asks organisations to estimate the percentage of their service users that fall into the protected characteristics of the Equality Act 2010. This information is used to assess the equalities impact of the Community Capacity programme and the impact of any funding reductions. The form used to collect this information has been developed in line with feedback from the Forum for Equalities and Human Rights in Southwark (FEHRS).
36. As part of the application process VCS organisations must demonstrate who will benefit from their organisations' activities and how they support cohesion and community bridging initiatives. Within their annual reports organisations must evidence the benefits users gain from their services or activities (Conditions of Grant Funding - Section 4. paragraph 1.1).

Resource implications

37. The total budget available in 2018/19 to fund the CC & EE programme has been determined at the current 2017/18 level with the additional £55,000 for the Manna Society to be transferred to the budget. As is the case every year this will be subject to final approval as part of the council's budget review process.
38. In 2017/18 the total budget for the Community Capacity and Environment & Ecology programme is £729,426. In 2018/19 it will be £784,428.
39. The council is committed to providing 3 months notice of funding decisions where necessary which would normally need to be factored into the budget; however as it is proposed to continue to fund all organisations at the same level this will not apply for 2018/19.

Consultation

40. The new Southwark Voluntary and Community Sector strategy was developed in the light of feedback from four 'listening events' held with the VCS throughout summer 2016. In addition, comments on the developing strategy were invited via the Community Southwark website. Following publication, 4 work streams were convened jointly with representatives from the VCS, the CCG and the council which developed sets of actions to implement the strategy. In addition an event was held in May 2017 with the sector to report back on and get feedback on the proposed implementation actions with the VCS.
41. As stated in paragraph 17, consultation on the proposed 1 / 2 and 4 year grants programmes will be carried out.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

42. The Cabinet Member is recommended to approve the making of grants for the year 2018/19 to the organisations listed in Appendix 1, under the council's Community Capacity & Environment and Ecology grants programme. The grants are at the same level as awarded to the same organisations for the 2017/18 year and are awarded pending the agreement of a new commissioning plan (as outlined in the body of the report).
43. Under part 3D of the council's constitution, this is a decision the Cabinet Member is empowered to take.
44. The council has the power to incur expenditure where this is calculated to facilitate, or is conducive or incidental to the exercise of its functions. The community impact statement of the report outlines how the making of Community Capacity & Environment and Ecology grants is consistent with the fulfillment of the council's legal duties and objectives.
45. The council is subject to the "Best Value" duty to "make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness". The government's Best Value Statutory Guidance requires the council to approach "value" as including economic, environmental and social value, and to be responsive to the needs of the voluntary and community sector. The council's approach as outlined in this report appears to be consistent with these duties.

46. The Cabinet Member is reminded that the council is subject to the public sector equality duty in section 149 Equality Act 2010. This requires the council, in the exercise of all its functions, to have due regard to the need to
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
47. The duty is a continuing one. Paragraph 8 of the report refers to an equalities analysis undertaken and compliance with this duty, and the community impact statement refers to the gathering of information to assess the impact of the programme.

Strategic Director of Finance and Governance (FIN1008 – JB)

48. The report sets out the rationale for maintaining the existing grants programme for 2018-19 due to the forthcoming adoption of the Common Outcomes Framework and the potentially significant changes to funding criteria. Paragraphs 19 and 20 of the report detail specific instances where the current level of funding might be reduced due to changes in circumstances or monitoring issues.
49. Paragraph 12 notes the inclusion of the homelessness advice service within the CC & EE programme and the linked transfer of funding from Housing Strategy.
50. Paragraphs 37 notes that the final budget is subject to full council approval in the new year. Paragraph 38 notes the current budget for the programme and the revised budget following the transfer from Housing Strategy.

BACKGROUND PAPERS

Background Papers	Held At	Contact
Community Capacity and Environment Ecology commissioning plan 2016-17	Housing & Modernisation 160 Tooley St SE1P 5LX	Katherine Pitt 020 7525 1579
Southwark Voluntary and Community Sector Strategy	Housing & Modernisation	“ “
Equalities Analysis – budget proposal, Community Capacity and Environment & Ecology programme, November 2015	Housing & Modernisation	“ “

APPENDICES

No.	Title
Appendix 1	Community Capacity and Environment & Ecology programme: list of funded organisations 2017/18

AUDIT TRAIL

Lead Officer	Stephen Douglass, Director of Communities	
Report Author	Katherine Pitt, Commissioning Officer, Housing & Modernisation	
Version	Final	
Dated	18 October 2017	
Key Decision	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	No	No
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	18 October 2017	