

	Classification: Open	Date: 10 December 2018	Decision maker: Deputy Leader and Cabinet Member for Culture, Leisure, Equalities and Communities
Report title:	New Common Purpose grants programme awards for 2019 onwards		
Ward(s) or groups affected:	All		
From:	Strategic Director of Place and Wellbeing		

RECOMMENDATION

1. That the deputy leader and cabinet member for culture, leisure, equalities and communities approves the funding recommendations for voluntary sector organisations delivering services under the new Common Purpose grants programme 2019 onwards subject to council assembly approval of the council's budget. The recommendations are set out in Appendix 1.

BACKGROUND INFORMATION

2. The new Common Purpose grants programme (formerly known as the Community Capacity and Environment and Ecology programme) has been developed in line with the ambitions of the Southwark Voluntary and Community Sector (VCS) Strategy 2017-2022 'Common Purpose Common Cause' which was launched by the VCS, the council and Southwark Clinical Commissioning Group (CCG) in November 2016.
3. 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 and improve resident wellbeing and independence. A key objective of the strategy is to improve the council's commissioning and grant giving to focus on outcomes, and to make it more streamlined and joined up across departments.
4. To achieve this objective a Common Outcomes Framework has been developed in partnership with the VCS. The framework has been approved by the council's cabinet and the CCG. The framework sets out the outcomes the council and the VCS want to achieve for residents. It includes a set of wide-ranging indicators that can be used to measure how the outcomes will be achieved. For the Common Purpose grants programme, commissioners have specified the outcomes which are to be delivered, in line with their own departmental and service priorities. Organisations applying to the programme have been asked to select the outcomes they would aim to achieve with the funding, and also the indicators they would use to measure them.
5. The following outcomes were selected from the Common Outcomes Framework. Organisations applying to the programme were asked to select a maximum of four outcomes and minimum of two outcomes that they would aim to achieve with the funding:
 - Residents have improved access to community services
 - Residents feel that they have access to services to improve their wellbeing
 - Residents feel more confident to maintain their independence without the need for higher levels of support

- Residents have increased opportunities and support to volunteer
- Residents have the skills and confidence to increase their use of online services and there is less digital exclusion
- Residents and organisations have greater access to community spaces and premises
- Residents increase their use of public transport, cycling or walking around the borough
- Residents and organisations feel more able to use green spaces to support social action and health & wellbeing activities
- Increasing numbers of residents and organisations support initiatives to make Southwark greener.

Organisations are not required to meet all the criteria but can specify which ones they will use the funding to achieve and the indicators they will use to measure progress.

6. These outcomes are in line with the refreshed Council Plan developed in 2018, and the ten Fairer Future promises to create a fairer future for all in Southwark.
7. In developing the framework, in particular the indicators, officers have liaised with the council's equalities and inclusion officer to ensure that the programme supports the delivery of the council's public sector equality duty.
8. The overall purpose of the Common Purpose programme is to bring Southwark's diverse communities together, tackle social exclusion and promote a greener borough.
9. This is in line with the vision of the council's new place and wellbeing department which is 'Ensuring that the places where people live, now and in the future, create new opportunities, promote wellbeing and reduce inequalities so people have better lives, in stronger communities and achieve their potential.'
10. 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 culture, leisure, equalities and communities.
11. The programme is not able to fund organisations whose main activities fall into specific service areas of other council departments. These include: adult learning, advice services, arts and culture, community safety, early years, local economy, public health, social care (adults' or children's), youth provision.
12. For 2017-18 and 2018-19 Community Capacity funding was continued to the same organisations at the same level as the previous year in order to allow time to implement the recommendations of the new strategy, and implement the new commissioning model. Organisations were informed by letter at the time of the decision to continue the grants, that the extension of funding by one year should not give rise to an expectation of future funding.
13. Organisations in receipt of grant funding from the council are monitored via the council's performance monitoring framework for grants. This includes completion of a self-assessment checklist; and submission of financial information including annual accounts and a half-yearly income / expenditure statement. It may also include a visit to the organisation.

KEY ISSUES FOR CONSIDERATION

Common Purpose grants: assessment and funding recommendations

14. For 2019-20 and beyond the programme consists of the following:
 - one-year new ideas grants
 - two-year community engagement grants
 - four-year strategic partner grants.
15. These longer time scales are intended to create a balance between ensuring greater stability and certainty for organisations while at the same time enabling 'new' organisations and innovative projects to be funded. This will enable change and churn in the programme.

General criteria: four- and two-year grants

Organisations applying for **either** the four-year **or** the two-year grant are required to meet **all** the following criteria:

- Registered charity and / or registered not for profit company and / or other form of registered not for profit organisation
- Based in and / or providing services within borough of Southwark
- Show evidence of stable governance and finances
- Operate from fit for purpose premises
- Show evidence of promoting equality and supporting the council's equality objectives and meeting the needs of people with protected characteristics
- Quality assurance measures in place.

Specific criteria for the four-year / two-year / one-year grants are set out below:

Specific criteria: four-year strategic partner grants

- Borough-wide service: organisation works in partnership with other VCS groups; gives support to small grassroots groups and / or emerging communities; contributes to local strategy development
- Shows evidence of substantial non-council funding for services
- Has capacity to offer premises for community / grassroots groups to hire at low or no cost.

Specific criteria: two-year community engagement grants

- Meeting the needs of one or more community of interest and bridging different communities
- Shows evidence of co-operation with other VCS organisations serving different client groups
- Shows evidence of moving clients on and bringing new clients in ("churn")
- Shows evidence of some non-council funding and is not wholly reliant on council funding
- Provides advice, information and signposting to the correct services.

Innovation grants

These are for both established and newer VCS organisations to test new approaches.

Criteria for innovation grants

- Registered charity and / or registered not for profit company and / or other form of registered not for profit organisation, or unincorporated association
 - Based in and /or service to be provided in borough of Southwark
 - Evidence of innovation that helps deliver the objectives of Common Purpose Common Cause – VCS strategy
 - Evidence of local knowledge and need
 - Scheme ready to go quickly after funding secured
 - Support of any partners already secured
 - Evaluation and exit strategy.
16. Organisations were able to decide whether to apply for the one-, two- or four-year grant. They were able to apply for the four-year grant plus an innovation grant or the two year grant plus an innovation grant but were not able to apply for both a four-year and two-year grant.
17. In October 2018 officers held two workshops for local VCS organisations to introduce the new programme and explain the new criteria. The workshops were attended by a total of 51 representatives from 50 local VCS organisations.
18. The Common Purpose programme was openly advertised in September – October 2018. The applications received are summarised in the table below:

	Four-year strategic partner grants	Two-year community engagement grants	One-year new ideas grants
Currently funded organisations	16	13	3
New applications	3	19	15
Total number of applications	19	32	18
Applications that meet the criteria	18	23	5
Applications that don't meet the criteria	1	9	13
Total amount applied for (2019-20)	£743,392	£1,029,356	£245,947
Total number of applications received	69		
Overall amount applied for (2019-20)	£2,018,698		

19. Officers have assessed applications, using a scoring system. The scoring sheet is attached as Appendix 2. They have assessed applications based on:
- Whether they meet the criteria.
 - Ability to demonstrate whether they are meeting VCS strategy objectives and relevant outcomes from the common outcomes framework.
 - Where currently funded, any concerns about performance that have not been resolved.

Officers have tracked the level of inward investment to the borough by currently funded organisations through analysis of their audited accounts and this has been taken into account.

Officers have also cross-checked with other departmental funding programmes, including the Neighbourhood Fund, in order to avoid duplication.

The recommendation for each individual organisation is based on the score achieved, budget considerations and taking a borough wide approach to supporting VCS services for communities including those communities most at risk of exclusion.

- 13 applications were received that did not meet the criteria as they are focussed on a specific departmental service area. Details of these groups have been forwarded to the relevant departmental commissioners where appropriate and fundraising advice will be available from Community Southwark and the community and voluntary sector engagement team.
- Three applications were received from tenants & residents associations. The programme is not aimed at tenants & residents associations and they do not meet the eligibility criteria. Tenants & residents associations are able to apply for the council's Tenant Fund and Tenants and Residents Social Improvement Grant.
- Two applications were received from a Business Improvement District (BID). The applications have not been recommended for funding as it is deemed that BIDS receive significant income from business levies.
- In 2018-19 four settlements receive a standard amount of funding as a contribution to core costs. This amount is £13,902. The settlements are: Bede House, Blackfriars Settlement, Cambridge House, and Time and Talents. All four have applied to the Common Purpose programme for four-year strategic partner grants. It is proposed to continue to fund them at a standard amount. The amount is £18,000 for 2019-20. In addition, a new application has been received from a fifth settlement, Pembroke House, has applied for a four-year grant. It is proposed to also fund Pembroke House at £18,000 for 2019-20.
- Given the proposed changes in the provision of services for older people starting in December 2019, the council has not excluded organisations from applying for Common Purpose grants to meet the needs of older Southwark residents. Grants awarded to organisations for services for older people are made on the understanding that they may be reviewed once the results of tender for the new OP hub are announced. Organisations were notified that to support the transition to the new service, any application should avoid duplication with the current grant from children's and adults services which currently runs to 31 March 2019 and will be further extended until December 2019.

20. Officers have put in place an arrangement with crowdfunding platform Spacehive so that all those who are applied for a one-year new ideas grant may make use of the platform to fundraise. Where they have been recommended for one-year new ideas grant, they may use the platform to raise match funding; but those who have not been recommended for funding may also make use of the platform which is at www.spacehive.com. The council has an annual subscription with Spacehive and Spacehive apply a 5% fee to any additional match funding that applicants are able to generate, provided that they meet their funding target.

21. Officers in community and voluntary sector engagement have had discussions with other departments to ensure funding priorities are aligned. There is also a common aim to ensure that VCS infrastructure is in place across the borough through hub / anchor organisations and organisations that provide borough-wide support.

Conditions of grant funding

22. Organisations awarded grant funding are subject to monitoring through the council's Conditions of Grant Funding (COGF). Schedules to these cover the key areas of: governance and employment; finance; employment practices and monitoring and information. In addition to a requirement to comply with these conditions, organisations are subject to an annual monitoring visit, and the monitoring framework includes a monitoring checklist which assesses each of the areas covered within the COGF as well as service delivery. In 2019-20 officers will review current monitoring arrangements to focus on funded organisations' progress towards delivering the outcomes they have undertaken to achieve.
23. 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 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.

Community impact statement

24. The Common Purpose grants programme assists 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.
25. 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.
26. The council's Policy and Resources Strategy 2017-18 to 2019-20 Revenue Budget was agreed in February 2018, in the context of ongoing unprecedented cuts in its budget settlement from government.
27. 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. This grants programme will empower and enable hard-to-reach communities and those communities which experience discrimination, to achieve a better quality of life.
28. 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 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) and with the council's equalities and inclusion officer.
29. 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).

30. Grant-funded VCS organisations are 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 providers pay workers the London Living Wage as a minimum. The council has recently achieved Friendly Funder Accreditation with the Living Wage Foundation. Living Wage Friendly Funders support charities to pay the real Living Wage that meets the cost of living through their grant-making.

Resource implications

31. In 2019-20 the total budget for the Common Purpose grants is £801,567. This includes a sum of £16,832 made available by the environment and leisure department to fund Bankside Open Spaces Trust.
32. The council is committed to providing three months' notice of funding decisions.
33. Where organisations are awarded more than one year's funding, the funding amounts for year two may be subject to review. An organisation's circumstances may change, or there may be broader strategic changes which may result in a need to review the year two award. Organisations will be informed in writing at the time of the award that the current funding is subject to review and therefore the year two figures are conditional. Where the year two award changes, organisations will be notified at least three months in advance.

Consultation

34. The new Southwark Voluntary and Community Sector strategy was developed in the light of feedback from four 'listening events' held with the VCS in 2016, as well as feedback provided via the Community Southwark website. At these events, a clear wish was expressed by the VCS for longer funding timescales. Following publication, four work streams were convened jointly with representatives from the VCS, the CCG and the council which developed action plans to implement the strategy. One of these work streams looked at how to improve council commissioning and as a result a number of 'products' including the Common Outcomes Framework and a forward plan of VCS commissioning were put in place.
35. 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.
36. A workshop was held on 22 March 2018, attended by representatives of 30 VCS organisations, to get feedback on and further refine the framework and in particular the indicator sets and the guidance. Other discussions around the framework have taken place with VCS representatives including at Southwark Legal Advice Network and meetings with individual organisations and feedback has been taken on board.
37. Two internal training workshops on using the framework were held with commissioners from across council departments in June 2018. One of these was attended by a VCS representative. Feedback from the workshops was used to further refine the guidance.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

38. The cabinet member is recommended to approve the funding recommendations for voluntary sector organisations delivering services under the new Common Purpose grants programme 2019 onwards subject to council assembly approval of the council's budget. The recommendations are set out in Appendix 1.
39. Under part 3D of the council's constitution, this is a decision the cabinet member is empowered to take.
- The cabinet member should note if council assembly fails to approve this portion of the budget then funding would not take place.
40. The council has the power to do anything that an individual may do (Localism Act 2011). Further, the council may incur expenditure where this is calculated to facilitate, or is conducive or incidental to the exercise of its functions.
41. 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 new grant programme as outlined in this report appears to be consistent with these duties.
42. 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.

The duty is a continuing one. Paragraph 8 of the report refers to the involvement of the council's equalities officer in the development of the new programme. The community impact section of the report contains an account of the information sought by the council to inform its understanding of the impact that its grants have in this area.

Strategic Director of Finance and Governance (PW18/013)

43. This report is requesting approval from the deputy leader and cabinet member for culture, leisure, equalities and communities of the funding recommendations for voluntary sector organisations delivering services under the new Common Purpose grants programme 2019 onwards.
44. The strategic director of finance and governance notes that the proposed funding for the recommended voluntary sector organisations of £801,567 for 2019-20 is within the current budget 2018-19 threshold of £815,020. Therefore providing there is no significant reduction in budgets or increases in the Common Purpose grants programme

there should be sufficient funding for the programme from ongoing service budgets. It is also noted that there are adequate monitoring arrangements in place to capture performance and to adjust funding accordingly.

45. The strategic director of finance and governance also notes that the proposed funding Common Purpose grants programme is subject to the approval of 2019-20 budget by the council assembly.
46. Staffing and any other costs connected with this recommendation to be met by service budgets.

BACKGROUND PAPERS

Background Papers	Held At	Contact
Southwark Common Outcomes Framework	Place & Wellbeing 160 Tooley St SE1P 5LX	Katherine Pitt 020 7525 1579
Southwark Voluntary and Community Sector Strategy	Place & Wellbeing 160 Tooley St SE1P 5LX	Katherine Pitt 020 7525 1579
Common Purpose grants programme 2019-20 – Equality Analysis	Place & Wellbeing 160 Tooley St SE1P 5LX	Katherine Pitt 020 7525 1579

APPENDICES

No.	Title
Appendix 1	Common Purpose grants funding recommendations 2019-20
Appendix 2	Scoring sheet for Common Purpose programme

AUDIT TRAIL

Lead Officer	Professor Kevin Fenton, Strategic Director of Place and Wellbeing	
Report Author	Katherine Pitt, Commissioning Officer	
Version	Final	
Dated	10 December 2018	
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
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		11 December 2018