

## APPENDIX 1

# Southwark Funding Prospectus

### Foreword - Councillor Stephanie Cryan, Cabinet Member for Communities, Equalities & Finance, December 2022

We are proud of the diversity and richness of our community sector. It is a defining feature of Southwark and part of what makes the borough so special.

The council's commitment to our community sector is demonstrated by the amount that we invest through our range of grant programmes. We invest over £22 million in a year in funding services and activities delivered by the local voluntary and community sector (VCS). Between 2017 and 2022, the council invested £82.4 million.

The new council delivery plan sets out our ambitions for the next period. We need to close the gap by reducing inequality, tackling racism and racial inequity. We know how important our community sector is in our neighbourhoods and communities, on our estates with long established historic organisations and new and emerging ones providing support, services, meeting spaces and so much more. This prospectus is a guide to how and what we fund. It also sets out how our approach will help us to work with you on making the changes that you told us need to take place to make the borough fairer and more equal.

### What is changing?

In 2021, reviews of council funding to the VCS were carried out and many of you told us about difficulties and challenges you have in getting funding from the council and other funders. We know things need to change.

In response to these concerns, our new commitments to funding applicants are set out in this Prospectus. Much of this may be familiar to you already. We have brought the information together in one place. Council grant funding is an investment in our communities and in people powered neighbourhoods.

### What is changing?

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|--|
| <ul style="list-style-type: none"><li>• We will monitor funding to our Black, Asian and minority ethnic led organisations across our grants programmes and where there is evidence of gaps we will target funding for those groups and work to close the gap</li></ul>   |
| <ul style="list-style-type: none"><li>• There will be a £400k Equalities Grants programme in 2023 with £200k ring-fenced for Black, Asian and minority ethnic led organisations</li><li>• We commit to ensuring there is funding support to our disabled, LGBTQI+, and other communities with protected characteristics</li><li>• We have started to collect information that will tell us whether organisations applying for funding are led by people from our diverse communities. This will help to ensure that funding reaches organisations that reflect the population of the borough</li></ul> |

- We will still collect information that tells us which communities VCS organisations are working with
- We will ensure that there is support to organisations to apply for funding who have not received council funding before
- We will ensure that assessment panels for grant making include community representatives from outside the council

### What difference will it make?

We will know whether our funding is reaching organisations that reflect the diversity of the population of Southwark. We will be able to put in place measures that change this if we are not. We will be able to target our funding effectively at organisations that reflect our diverse communities.

Once an organisation has been awarded funding, we will monitor that funding in a way that is more about us working together for the benefit of residents, than about bureaucratic hurdles. We will take an assets-based approach, looking not for problems to be solved but opportunities to be harnessed and realised. The involvement of community representatives should result in funding decisions that are more targeted and effective in addressing local inequalities.

### Regular council funding programmes

The council will continue to invest in each of the programmes set out in the table below:

Funding programme	Annual budget - indicative	Criteria
<b>Common Purpose</b>	£801,451	<ul style="list-style-type: none"> <li>• 2 year community engagement grants: meeting the diverse needs of different communities, and bringing communities together</li> <li>• 4 year strategic partnership grants: strategic borough wide role, support to grassroots orgs</li> </ul> <p>Outcomes relating to health, wellbeing, a greener borough; digital inclusion, volunteering, independence</p> <p><a href="#">Common Purpose grants - Southwark Council</a></p>
<b>Neighbourhoods Fund</b>	£630,000	<ul style="list-style-type: none"> <li>• Local action by communities</li> <li>• Bringing different people together</li> <li>• Making neighbourhoods come to life</li> </ul> <p>Grants usually £500 up to £5,000 maximum</p>

Funding programme	Annual budget - indicative	Criteria
		<a href="#">Neighbourhoods Fund - Southwark Council</a>
<b>Community Safety</b>	Approx. £300,000	<p>Funding from the Mayor's Office for Policing and Crime administered locally in Southwark for</p> <ul style="list-style-type: none"> <li>• Gangs, exploitation and safe accommodation work</li> <li>• Integrated offender management</li> <li>• Early intervention</li> <li>• Violence against women and girls</li> </ul>
<b>Positive Futures for Young People</b>	£542,301	Organisations funded to deliver activities for children and young people 11yrs to 25yrs, to meet outcomes of activities for children and young people as outlined in Youth New Deal.
<b>Culture Together</b>	£152,000	<p>Project grants that support arts and cultural organisations in celebrating or achieving equality and representation in one of four focus areas:</p> <ul style="list-style-type: none"> <li>• Audiences</li> <li>• Workforce</li> <li>• Governance</li> <li>• Artistic content.</li> </ul>
<b>Cultural Celebrations</b>	£65,000	Events funded through this programme should be free of charge and community-focused, and must support the aims of the Creative Southwark cultural strategy and deliver against the Fairer Future commitment of creating a vibrant Southwark.
<b>Black History Month</b>	£30,000	Funding for events to take place during Black History Month (October) that honour the achievements, culture and history of African, Caribbean and diaspora communities.
<b>Public Health</b>	Approx. £900,000	<p>A number of grant programmes including</p> <ul style="list-style-type: none"> <li>• Holiday activity and food grants</li> </ul>

Funding programme	Annual budget - indicative	Criteria
		<ul style="list-style-type: none"> <li>• Health improvement grants</li> <li>• Cancer screening uptake grants</li> <li>• Vaccine uptake grants</li> </ul>
<b>Cleaner Greener Safer Capital Fund</b>	£1.88m annually divided equally between 23 wards	Annual funding programme for capital improvements. Eligible ideas must result in a permanent, physical improvement in the public realm to be eligible. Majority of funding is awarded to projects managed by council officers in consultation with the local community.
<b>Resident Participation Fund</b>	Total budget £905,000. This includes the Getting Involved Grants: £248,000	Grants to Tenants & Residents Associations only, on rolling basis throughout year. Contributes to social regeneration & participation.
<b>Devolved Highways Budget</b>		Solving highways related issues as identified at a ward level
<b>Community Infrastructure Levy</b>	Funding is triggered by building developments in the borough – not possible to give an annual budget figure	This is a charge that the council can set for new building developments in the borough. The funding can be used to fund infrastructure such as health and social care facilities as well as grant making through the neighbour element of the levy. <a href="#">Community Infrastructure Levy (CIL) - Southwark Council</a>

## 1. PRINCIPLES, COMMITMENTS & PURPOSE

**Our principles: will be driven by the vision to transform Southwark through our work to close the gap, be people powered and support thriving neighbourhoods**

**Our funding will:**

- Connect our communities
- Create fairness and equity for Black, Asian and minority ethnic groups and other disadvantaged communities
- Be open & transparent

## Our commitment to you as a grant applicant

### **We welcome and value all applications for funding that will make Southwark a better place**

- We will explain our funding criteria (requirements) clearly
- Our application forms and guidance will be in plain English and will be sense checked with community members
- We will only ask for information that we need
- We will publish our timetables and stick to them. If we need to ask you for extra information we will give you a reasonable amount of time to provide it. When we make decisions we will let you know the outcomes as promptly as we are able.
- If we are not able to fund you, we will explain the reasons clearly. We will offer you advice to help give you a better chance of being successful next time.
- We will listen to what organisations tell us about their challenges in applying for funding and take responsibility for working with them to overcome these challenges, to make our funding processes fairer
- We will collect information on who is applying for funding so that we can map who from our different communities are successful in funding applications to make sure we are not creating barriers
- We will keep a database of Black Asian & minority ethnic led organisations in the borough which will help us reach out to Black Asian & minority ethnic led organisations and track who among those groups are applying for funding and who aren't
- We will act positively to encourage and ensure there is support for Black Asian and minority ethnic led groups who have not had council funding before, to access funding, in particular core funding
- We will work with community partners to provide support for organisations and networks representing our different communities
- We will actively seek to attract to our programmes organisations who haven't been funded before, and to enable smaller organisations who are successful in applying for small grants to move on to securing larger amounts should they wish to.
- We will continuously review the way we give grants, to tackle barriers for particular groups, and learn from good practice elsewhere

- We will welcome any feedback you have and seek to act on it
- The recommendations about who to fund in each programme will be made by a diverse evaluation panel that will include relevant representatives from outside the council.

### **Our purpose: what can the funding be used for?**

The purpose of the funding depends on the funding programme. All funding from the council should help Southwark and its communities and residents to be some or all of the following:

- **Safer** – at home, and when out and about in the borough
- **Reduce inequality** and close the gap
- **Healthier** - at all life stages, in both mind and body
- **Greener** - together we are tackling the climate emergency and increasing the biodiversity (wildlife) of the borough
- **Engaged** - making the most of volunteering opportunities; having your voice heard;
- **Vibrant** - thriving small businesses and a dynamic arts and cultural sector

## 2. GRANTS

### **Our eligibility requirements**

Organisations applying must:

- Be a **not for profit** organisation (there may be exceptions, such as the Local Economy Team’s small business grants; or the Culture Team’s grants to individual artists). The kinds of organisations we fund include:
  - Registered charities
  - Registered not for profit companies
  - Community interest companies
  - Industrial and provident societies
  - Unincorporated associations and grassroots community groups

**We welcome applications from faith groups. The funding needs to benefit those in need regardless whether they have any faith or none, and should not be used to promote a particular religion.**

- Be based within the borough of Southwark – **or** based outside, but providing services to Southwark residents.
- Provide a recent set of annual accounts that have been audited (for those with an annual income of over £1m) or independently examined (those with an annual income of over £25,000). For smaller or newly formed organisations that don’t yet have annual accounts, we may ask for a bank statement or simple set of accounts.

Across the council grant programmes, we support many organisations, projects and activities. There are 402 grants and 62 contracts with the smallest grant £500 and the largest contract over £6m.

### **How applications are assessed:**

- Officers check that applications meet the basic eligibility requirements explained above
- Eligible applications are reviewed by a panel of officers and community representatives. Each application will be judged against the funding criteria set out in the programme.

### **Our decision-making**

- The panel makes recommendations to the decision maker as to which grants to fund.
- A report on the applications and the recommendations is on the council website [here](#). If you apply for funding you will be sent the link to the report after it has been published.
- A [Cabinet member](#) then makes the decision if the grant value is more than £2500. For grants under £2500 the decision is taken by a service manager. This report is not published but will be sent to you as part of the approval process.

### **Letting you know the outcome of your application**

- We aim to let you know whether you have been successful or not as soon as possible in line with decision-making above
- If you have been unsuccessful, we will write to you explaining why. We will give you details of how to get support with future applications and we may give you details of other funding opportunities we think might be relevant to you. We are also happy to have a telephone conversation with you if you think that might be helpful.
- If you have been successful, we will write to you to confirm the amount of funding. It may be less than the amount you applied for. This could happen if organisations have applied for more funding than is available. If the amount is less than you applied for, we will be realistic about what you will be able to do with it. We will ask you to send us a new breakdown of costs, showing how you will spend the reduced amount of money.

### **Conditions of grant funding**

- There are conditions attached to all council grants which can be found here [Common Purpose grants - Southwark Council](#) approximately 11 paragraphs

down the page. All organisations who receive grant funding from the council must comply with these conditions.

### **Paying your grant**

- The council will pay grants in advance and usually in instalments except for very small grants. If you are being awarded a grant for a financial year (1<sup>st</sup> April to 31<sup>st</sup> March) you may be paid in quarterly instalments.
- Your grant will be paid into your organisation's bank account. Before we can pay it, we will check if your organisation is already listed as a vendor on the council's accounting system. If you've been paid by the council before, it's likely you will be listed as a vendor. If you've never had a payment from the council before, we will ask you to give details of your organisation's bank account and full contact details on a company letterhead. You can send this electronically as a pdf. We will send your details to the council's Finance department who will check the information before they set you up on the council's accounting system. This can take two weeks or more.
- Whenever you apply for a grant you will be asked to provide your organisation's bank account details, even if the council has them already, in case you have changed your bank account.

### **Monitoring and evaluation**

- The grant will be monitored to check that the money is being spent on what we have agreed. We need to be sure that your organisation is keeping to the Conditions of Grant Funding
- During the period of the grant, we will keep in touch with each other. You will have a key contact in the council who will be your link officer and will be available to help with any queries or concerns you may have
- Different council grant-giving teams have their own monitoring systems. When they award the grant to you, they will let you know what they will need from you during the period of the grant. This could include:
  - Visiting your organisation, at an agreed time
  - Attending your AGM (annual general meeting) or other event(s) that you organise
  - Asking you to send in reports on who has accessed the funded service (**outputs**) such as numbers of clients, and numbers of clients from particular groups and what difference it has made to people's lives (**outcomes**). The amount of information you are asked to provide will differ depending on the size of the grant.
  - Documents such as accounts, policies, annual reports and minutes of trustee meetings (you can blank out any confidential information in

trustee minutes). The amount of information you are asked to provide will depend on the size of the grant. We will explain why we need the information; we won't ask you for information that we won't use and we will only ask for it once across the organisation.

- **We do not expect you to share confidential client information with the council.**
- We will use the data and intelligence you give us to look at the needs of people in the borough and how they are changing. This will help us target funding better in the future, to meet those needs.

### **How to apply for funding**

- Regular council funding opportunities are advertised on the [Council website funding page](#)
- Applications are made electronically and not on paper documents. Most council grant funding teams now use the council's [Funding portal](#). If you haven't used the portal before you will need to create a log-in. This is simple to do. It is a good idea to make sure that others in your organisation have details of the log in email and password.

### **Planning and support**

Getting ready to apply for funding

Fundraising help is available from [Community Southwark](#) who offer one to one advice, training sessions and fact sheets.

- Finding out about funding

Council grants programme are normally advertised for a fixed period of time, usually a minimum of six weeks. You can find out about funding opportunities using these links. It may be worth bookmarking them and returning to them regularly

- [Council grants and funding webpage](#)
- Council commissioning [forward plan](#) – for a longer term view of what's coming up
- [Community Southwark website](#) and funding newsletter
- [United St Saviour's Guide to Funding in Southwark](#) (lower down this page under 'summary reports and publications') United St Saviours are an independent charity and funder, based in Southwark.

## What to do if the project isn't going to plan

When we fund you it is because your idea is a good way of responding to community needs. We want you to succeed. We recognise that things don't always go to plan. If you have concerns about the project then get in contact and talk to your link officer. We will have a conversation to try and resolve the issues together.

### 3. CONTRACTS

Unlike grants, the council enters into contracts with external providers for goods, works and services that it does not deliver in-house. These are managed in line with the council's Contract Standing Orders:

[FINANCIAL STANDING ORDERS \(southwark.gov.uk\)](https://www.southwark.gov.uk/contract-standing-orders)

All procurements also have to comply with the procurement law, currently the Public Contract Regulations (2015).

The Fairer Future Procurement Framework also sets out the core considerations and ethical considerations relating to procurements, especially where these are of higher value:

[Appendix 1 Fairer Future Procurement Framework.pdf \(southwark.gov.uk\)](https://www.southwark.gov.uk/procurement-framework)

Procurement is one of the three parts of Community Wealth Building

A review of what the council is able to put in place in relation to making it easier for local businesses to do business with Southwark Council is in place as part of this review and on-going work with other Southwark anchor institutions with a change of Procurement regulations, planned for 2023.

Organisations can proposed to work with others as a consortium to support their capability and capacity to deliver contracts

The eProcurement system used by the council is Proactis. Registering is free for businesses and the same system is used by the majority of London Boroughs:

<https://www.londontenders.org/>

- *The rules for how contracts are awarded are set by the government rather than the council*
- *But – we can look at how we can support smaller organisations grow and build their capacity to get themselves into a position where they can bid for contracts and be successful.*
- *This could be in partnership with other organisations.*

*Pro contract* – e-procurement system used by most London boroughs

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- But – we can look at how we can support smaller organisations grow and build their capacity to get themselves into a position where they can bid for contracts and be successful.

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[Pro contract](#) – e-procurement system used by most London boroughs

This table summarises the key differences between grants and contracts

## Comparison

Key Characteristics	Contracts	Grants
Legally Binding	Yes	No
Level of protection to the council in the event of a breach	Maximum - Council can take legal action for breach	Minimum - can withhold future funding and attempt to clawback paid funding
<a href="#">Contract Standing Orders</a> and Procurement Guidelines apply	Yes	No
General principles of transparency, accountability and fair dealing apply	Yes	Yes
Eligible for Gift Aid	No	Yes
Subject to VAT	Possibly	No
Fixed term	Yes	No
Annual renewal	No	Maybe
Standard terms and conditions	Yes - contract, quotation and tendering documents	Yes - standard Conditions of Grant Funding are available <a href="#">Common Purpose grants - Southwark Council</a>
Decision Makers	Depending on the contract amount the decision may be taken by the council's	Elected member of the council's Cabinet for grants over £2500

Cabinet, an elected member, a chief officer of the council or a chief officer may delegate the decision to director / manager of the council

External Advertising

Required for contracts over £75,000

Good practice

#### 4. GLOSSARY OF TERMS

- **AGM (annual general meeting):** The AGM of a company or organisation is a meeting which it holds once a year in order to discuss the previous year's activities and accounts. These meetings may be required by law or by the organisation's constitution or governing documents
- **Black Asian & minority ethnic led :** The council's definition is those organisations where 75% of the governing body (Board of Trustees or Management Committee), and 50% of the senior staff of the organisation ie key decision-makers, self-identify as being from that specific community or identity.
- **Capital improvements :** funding for the purchase, refurbishment or renovation (inc. fixtures and fittings) of buildings or land or the purchase of vehicles, computers and computer systems, other equipment or items such as marketing or accounting software. Is the opposite of revenue/ project funding that pays for salaries and running costs
- **LGBTQ+ :** is an acronym for Lesbian, Gay, Bisexual, Trans and Queer. The + recognises that there are more ways to identify and describe gender and sexuality beyond the acronym. While the above are common terms used to self-identify gender and sexuality in the English language, the world is and has always been a place of diverse sexualities and gender identities.
- **Procurement:** the process by which an organisation buys the products or services it needs from other organisations. Part of the wider commissioning process
- **Voluntary and community sector (VCS):** also known as VCSE (voluntary, community and social enterprise), Civil Society or the Third Sector. Is any organisation (incorporated or not) working with Social Purposes. This ranges from small community based groups/schemes (Food Banks, community hubs, Mutual Aid Groups, groups supporting refugees/asylum seekers etc.), through to larger registered Charities that operate locally, regionally & nationally

VCS Commissioning Team, Communities Division  
[CVSSU@southwark.gov.uk](mailto:CVSSU@southwark.gov.uk)