

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 14 March 2011	<b>Meeting Name:</b> Cabinet Member for Equalities Community Engagement
<b>Report title:</b>		Community Support Voluntary Sector Commissioning Programme 2011/12	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Deborah Collins. Strategic Director of Communities, Law & Governance	

## RECOMMENDATION

1. That the Cabinet member for Equalities & Community Engagement agrees the funding recommendations for voluntary sector organisations delivering services under the community support programme for 2011/12. The recommendations are detailed at Appendix 1.
2. That the Cabinet member for Equalities & Community Engagement note the proposed reduction of £204,000 due in 2012/13 and the proposal for reconfiguration of the Community Support programme. A further report on the detail of these proposals will be presented later in the year.

## BACKGROUND INFORMATION

3. The cabinet member for community engagement and equalities approved the community support commissioning plan for 2011/12 in July 2010. The commissioning plan is attached as Appendix 2. The plan sets out the business case for funding voluntary sector providers, the expected links between Southwark Alliance, council policy and priorities and the outcomes that are to be delivered by the voluntary organisations that receive grant aid. The plan also sets out the funding mechanism for commissioning services (via contract standing orders or grant aid).
4. Approval of the commissioning plan and approval of grants over £2,500 under the community support programme transferred to individual member decision making (IDM) in May 2007 and is now a matter for the Cabinet Member for Community Engagement & Equalities (Constitution: Clauses 2 and 5 Part 3D).
5. Members are aware of the voluntary sector review, the findings of which were set out in the council/voluntary sector framework, which was agreed in April 2007. This document sets out the policy and principles governing the council's arrangements for partnership with, support to and resourcing of Southwark's voluntary & community sector (VCS). The framework sets out that the council will operate a mixed economy of grant aid and contracts, normally operating on a three-year cycle where possible.
6. The community support programme is divided into three categories:
  - a. Category One: Communities of interest. *This category relates to support for organisations that promote specific cultural, social, faith and personal identities in ways that contribute to the development of confident communities able to play a full role in civic and public life.*

7. The purpose of this category of the community support programme is to ensure that communities that may face exclusion and discrimination because of race, ethnicity, gender, age, sexual orientation, disability or faith have access to support and services that enable them to fully participate as active citizens.
8. This element promotes community cohesion and integration, cultural interchange, and mutual understanding and shared ways of working between people of different ages, cultures, ethnic groups and faith.
  - a. Category Two: Specialist capacity building. *This category relates to support for organisations that build the capacity of the voluntary sector to enable it to play a full and effective role in the development and delivery of the community strategy*
9. The purpose of this element of the community support programme is to promote a vibrant voluntary sector which is capable of sustaining long-term service delivery and support to excluded communities and which makes a critical contribution to improving the borough.
10. Capacity building organisations provide services to other voluntary sector organisations through a range of specialist services including acting as a voice for the sector or through the provision of services such as legal, financial, IT, business planning and management development support to VCS organisations. This support may be provided within a specific geographical area or in relation to specific communities of interest e.g. refugees or volunteers.
11. There is a diverse range of capacity building organisations in the borough some of which receive funding from the community support programme. Others are funded through service specific programmes. The CVS for the borough Community Action Southwark, currently in a 3-year contract which expires in March 2011 has been contracted to provide general and borough wide capacity building and infrastructure support under this contract.
  - a. Category Three: Area resource bases for tackling social exclusion. This category relates to support for organisations that provide a core resource base for work that tackles social exclusion in the deprived area and neighbourhoods in Southwark.
12. The purpose of this element of the community support programme is to support a geographical spread of community resource bases within localities in the areas of greatest deprivation which act as a focus for community engagement, engage with marginalised communities and provide a physical base and capacity building support for area and neighbourhood resident led activities.
13. Southwark has a rich mix of area based resources that act as multi-functional resources for community delivered activity. They fall into three groups
  - Settlements with a track record of leveraging in external resources and experience of running a range of services for or as a complement to statutory provision across health, education, youth and the elderly.
  - Faith-based community centres offering a range of social activities to their local community and providing space for small groups.

- Other community centres where the buildings are mainly owned by Southwark Council and which act as a base for other local separately funded organisations.
14. Of the 12 currently funded area based resource centres, 7 are located in the north of the borough, 3 are located in central Southwark and 2 in the South of the borough. The Settlements all receive the same level of core funding with various other projects also supported. By contrast the community centres receive disparate levels of funding and previous attempts to arrive at a standard funding formula have yielded no success. This is due to the fact that different circumstances pertain in terms of whether buildings are owned or leased, different levels of staffing and different levels of service in place.

### **KEY ISSUES FOR CONSIDERATION**

15. As a result of openly advertising the community support programme in October 2010 a total of 44 applications were received totalling £1,766,708. Applications were received from 34 currently funded organisations and 10 new applications. During the course of 2010/11 the community support programme will be reconfigured with revised funding criteria in order to achieve the efficiency savings, reduce duplication of services and ensure that modernised, fit-for-purpose organisations are supported which provide services that meet the changing needs of Southwark residents.
16. The applications received for 2011/12 fall into the following groups;
- Applications from 34 existing funded organisations.
- A range of new applications from the following;
- Organisations that act as a voice for particular communities of interest i.e. the Disability Forum, Southwark Travellers Action Group,
  - A new application from a Polish community of interest organisation, Arteria Projects, requesting a contribution to core funding.
  - Applications that do not meet the Community Support priorities, mainly because they have a focus on a specific service area such as children's services, health and social care, employment and training.
17. Of the new applications 5 meet the community support priorities, and were assessed alongside the 34 applications from existing funded organisations. The additional resources requested exceed the amount available within the existing community support budget. Project summaries for the individual groups are available as hard copy from the community support unit.
18. A further 5 new applications fall outside the existing priorities for the community support programme. These relate to parents and families, health & social care and youth. Contact details of these groups have been forwarded to relevant departments where appropriate and the organisations will be offered fundraising advice from both CAS and the Commissioning & Voluntary Sector Support unit. Applications that fall within the remit of other departments or commissioning plans have been forwarded for consideration as appropriate and any decisions made will be taken under individual member decision making by the relevant portfolio holder.

19. The budget for the delivery of equality and human rights functions in the borough transferred to the Community support budget in 2010 and is included in the spreadsheet under total budget available in Appendix 1.

### **Assessment and proposals for funding.**

20. In assessing the applications that fall within the community support programme priorities a combination of factors have been used to inform the officer recommendations. These are:
  - Is the service a policy imperative for the council? Does it meet some critical immediate needs such as integration of our diverse communities in the context of Southwark 2016?
  - Is the organisation fit for purpose with appropriate governance & systems in place? Is the organisation solvent?
  - Are there alternative providers; is there duplication of services?
21. Officers have made their recommendations based on an assessment of the above factors in relation to each application. This would result in projects being funded to a total budget of £1,334,703.
22. It is proposed that no inflation is awarded to organisations for 2011/12.

### **Premises**

23. Under the community support programme, a number of organisations receive grants that incorporate a rent element. These are withheld at source and paid to property services on behalf of the organisations.
24. Through the 'Strategy for the Future Management of Council owned properties' (2009). LBS owned properties occupied by VCS organisations has been centralised into one portfolio. The Council's rent and lettings policy is being applied - that VCS organisations should have a formal, model lease in place, with rent being set at a market level.
25. The Strategy intends that some of the income derived from the VCS Estate will be reinvested to improve the condition and compliance of the buildings occupied.
26. The Strategy also puts in place Transition Arrangements for leases renewed to market levels for groups already in occupation who are paying below market levels of rent. Where rent is increased by a rate above inflation (providing additional income to the local authority), as set out in the community buildings – next steps report (October 2007) the increase will be staggered over a 5 year period (20% year 1, 40% year 2 until 100% year 5). There should be an increase in the service department budgets to allow for similar levels of service to be commissioned at what will be higher costs. Service departments will have to form a view as to whether they wish to pay those increased costs.

## Community impact statement

27. The organisations funded under the community support programme play a vital role in promoting the diversity agenda and ensure that communities that may face exclusion because of discrimination on the grounds of race and ethnicity, gender, age, sexual orientation, disability or faith, have access to support and services that enable them to fully participate as citizens. As with any grants process there is the potential for there to be perceived winners and losers, some organisations awarded funding and some not. For 2011/12 the Community Support programme remains unchanged. There are currently no performance issues with groups currently funded which warrant cessation of funding at this time.
28. Under new legislation from April 2009, the council has a duty to involve, inform and consult local communities. Southwark is one of 18 members of the National Empowerment Network and is committed to empowering, engaging and consulting its communities. The community support programme is a powerful contribution to that agenda.
29. An Equalities Impact assessment was completed in 2008 which in terms of practical changes proposed a number of recommendations to increase access to wider numbers of people and communities, to eliminate negative or differential impact and to promote community cohesion. Account has been taken of these recommendations as far as possible within the current resource constraints.
30. The council recognises the importance of having specific organisations that support and enable specific communities to access mainstream services that enable them to fully participate as citizens. In arriving at recommendations account has been taken of both established need as well as responding to changing needs and critical immediate needs i.e.
  - Integration of specific communities of interest;
  - Support for particularly marginalized communities e.g. refugees and asylum seekers;
  - The impact of regeneration and redevelopment on communities and the need to support the infrastructure of such communities;
  - Community engagement and the promotion of community cohesion.
31. Savings proposals are in relation to the VCS are further compounded by the loss of Area Based Grant/Working Neighbourhoods Fund which for Community Support voluntary sector groups totals £262,000 and has supported CAS forums, Southwark Travellers Action Group, Southwark Refugee Communities Forum and the Active Citizens Hub. An Equalities Impact Assessment has been carried out in relation to the budget proposals and the VCS given opportunities to make representations to Cabinet which have been considered as part of these proposals.
32. An important consideration in relation to future service delivery under this programme will be how changing needs will be addressed in the context of the economic climate and budgetary constraints.

## **Resource implications**

33. The overall recommendations for the programme can be met within the cash allocation for 2011/12 allowed for within the Communities, Law & Governance departmental budget. The proposed allocation of £1,334,703 for 2011/12 is set out in Appendix 1 and as part of the council's overall budget setting process has been approved by the cabinet and full council.
34. The council where possible undertakes to give 3 months notice of funding recommendations to the VCS for the following financial year. This is so that in the event that funding is reduced or not recommended the sector has a sufficient notice period in which to prepare exit strategies and fulfil its obligations to employees. For 2011/12 there are no changes proposed to the community support programme and as a result this notice period is not applicable.
35. At its meeting of 25 January 2011 the Cabinet approved the draft budget proposals with a final balanced budget report presented to Cabinet on 8<sup>th</sup> February, reconvened to 15<sup>th</sup> February and approved by Council Assembly on 22 February 2011. This budget set out proposals for 2011/12 and indicative proposals for 2012/13 and 2013/14 which include a reduction to the Community Support programme of £204,000 for 2012/13. As a result the programme will be reconfigured to achieve this based on revised criteria and priorities which will be developed during 2011/12 and will be subject to approval by the cabinet members for community engagement and equalities. Included in the draft budget proposals was a £1.5m Transition fund over the next two years that will provide interim support in helping VCS organisations make the changes necessary to meet the challenges from reduced public sector funding and in order to develop a more sustainable voluntary sector. These proposals are set out in a separate IDM report for approval by the cabinet member for equalities and community engagement.

## **Consultation**

36. Copies of this report have been sent to Community Action Southwark (CAS). Each of the groups recommended for funding has been sent a copy of their project summary and asked to sign their acceptance of the written representation of their organisation. Those organisations not recommended for funding have been contacted and offered the opportunity to get feedback on their application, reasons for the recommendation, other sources of funding and referral as appropriate to other departments or to CAS for support.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Finance Director**

37. The proposed allocation of £1,334,703 to the Community Support Programme 2011/12, as detailed at Appendix 1, is within the approved budget figure the Community Engagement division have available for this purpose.
38. Rental payments relating to an organisation's occupation of a Southwark Council property are included in the grant allocation programme. The precise levels of rents for 2011/12 are being negotiated and could vary from the budget estimate. As noted in paragraph 26 there is a strategy to reflect market rents and any such movement toward market rents will increase the funding withheld at source and reduce the funding actually received by the organisation.

39. The need to refocus the programme ahead of 2012/13 to deliver the agreed savings figure will require robust planning and consultation over the course of the next 12 months.

### **Strategic Director of Communities, Law & Governance**

40. Officers from the Contracts Section of Legal Services have reviewed this report and confirm that under the provisions of Part 3D of the council's Constitution the Cabinet member for Equalities & Community Engagement may approve the recommendations that are set out in this report.
41. It is noted that the Community Support programme remains unchanged for 2011/12, but that a reduction of £204,000 in this programme is proposed for 2012/13, which will be the subject of a future report.
42. Positive equalities obligations are placed on local authorities, sometimes described as equalities duties with regard to race, disability and gender. Gender equality duties were introduced by the Equality Act 2006, which amended the Sex Discrimination Act 1975. The general duties in summary require local authorities to have due regard to the need to: (a) eliminate unlawful discrimination and harassment and; (b) promote the equality of opportunity between men and women. Race equality duties were introduced by the Race Relations Amendment Act 2000 which amended the Race Relations Act 1976. The general duties in summary require local authorities to give due regard to the need to: (a) eliminate unlawful discrimination and harassment; (b) promote the equality of opportunity; and (c) promote good race relations between people of different racial groups. Disability equality duties were introduced by the Disability Discrimination Act 2005 which amended the Disability Act 1995. The general duties in summary require local authorities to carry out their functions with due regard to the need to: (a) promote equal opportunities between disabled persons and other persons; (b) eliminate discrimination that is unlawful under the Act; (c) eliminate harassment of disabled persons that is related to their disabilities; (d) promote a positive attitude towards disabled persons; (e) encourage participation by disabled persons in public life; and (f) take steps to take account of disabled person's disabilities even where that involves treating disabled persons more favourably than other persons.
43. Section 71 of the Race Relations Act 1976, section 49A(i) of the Disability Discrimination Act 1995 and section 76A of the Sex Discrimination Act 1975, require local authorities to act in accordance with the equalities duties and have due regard to these duties when we are carrying out our functions, which includes making decisions in the current context.
44. The report author refers to the fact that equalities have been considered as part of the funding decision for the Community Support programme in 2011/12 and that an equalities impact assessment has been undertaken.
45. As part of the process for deciding how this spending reduction is to be made in 2012/13, it will be necessary to prepare robust equalities impact assessments (or equality analysis in accordance with the Equality Act 2010 (if that is applicable)) in accordance with good practice at critical stages as proposals in relation to spending reductions are made which identify the potential or actual effects the spending reduction could have in respect of disability, gender, race and religion or belief, sexual orientation, age and human rights. The Equality Act 2010 does not come into effect in relation to public sector equalities duties until 6 April 2011.

However, in line with good practice, equalities and human rights impact assessments that are carried out before that time should be carried out in relation to the proposed spending reductions for the Community Support programme in 2012/13, mindful of the protected characteristics.

46. In addition, the council has a statutory duty under the current legislation to consult in relation to race and gender and promote participation and involve disabled people. In relation to the future spending reduction, this consultation should: (a) take place before a decision is made at the formative stage; (b) be meaningful and set out clearly the background, proposal and/or options, potential implications for funding, criteria, so that those consulted have no doubt about the proposals and implications and can provide a meaningful response; and (c) follow a process that is clear and transparent.
47. In addition, it is good practice for groups who are to be affected by the proposed spending reduction to be: (a) given copies of any relevant reports to comment on; and (b) given the opportunity to make representations before a decision is made.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Community Support Grants Programme 2009/10	Community Engagement Town Hall, Peckham Road SE5 8UB	Bonnie Royal 020.7525.7389
Community Support Commissioning Plan 2010/11	Community Engagement	Bonnie Royal
Southwark Compact (Revised)	Community Engagement	Bonnie Royal
Community Support Programme Project Summaries	Community Engagement	Bonnie Royal
VCS Framework (2007).	Community Engagement	Bonnie Royal

## APPENDICES

No.	Title
Appendix 1	Community Support Programme. Recommendations for 2010/11
Appendix 2	Community Support Commissioning Plan 2010/11

## AUDIT TRAIL

<b>Lead Officer</b>	Stephen Douglass Head of Community Engagement	
<b>Report Author</b>	Bonnie Royal Commissioning & Voluntary Sector Support Manager	
<b>Version</b>	Final	
<b>Dated</b>	11 March 2011	
<b>Key Decision</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS/DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Property Portfolio	Yes	
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Support Services</b>	11 March 2011	