

Item No.	Classification: Open	Date: 4 May 2012	Decision Taker: Cabinet Member for Community Engagement & Equalities
Report title:		Voluntary Sector Transition Fund 2012 / 13. Round 4.	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law & Governance	

RECOMMENDATIONS

1. That the cabinet member approves the recommended allocations for Round 4 of the Transition Fund 2012/13 for voluntary sector organisations set out in Appendix 1 of this report.

BACKGROUND INFORMATION

2. On 22 February 2011 Council Assembly agreed the council's budget. Included in the budget proposals was a £1.5m Transition fund over the next two years to 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 sector.
3. Approval of grants over £2,500 is a matter for the Cabinet Member for Community Engagement & Equalities (Constitution: Clauses 2 and 5 Part 3D) and will be considered via individual member decision making (IDM).
4. The purpose of the transition fund is to enable organisations to become more sustainable in the current climate and includes:
 - Development of fundraising strategies/funding bids
 - Support with business plan development
 - Enabling development of mergers and collaborations
 - Enabling sharing of back office costs/shared services
 - Development of initiatives that will support third sector organisations to engage with the personalisation agenda
 - New models of service provision/innovation/ doing it more effectively and efficiently/ and realising savings
5. The Transition Fund is not intended to replace lost funding or cover running costs for existing service delivery.

6. To date there have been 3 completed rounds of the Transition fund as follows:
 - Round 1. £376,004 allocated to 19 organisations. Decision implementable from 30 March 2011.
 - Round 2. £174,902 allocated to 11 organisations. Decision implementable from 28 June 2011.
 - Round 3. £191,678 allocated to 13 organisations. Decision implementable from 6 December 2011.
7. All organisations that have been awarded Transition Fund are allocated a monitoring officer from the relevant council department with whom they currently or have previously had a monitoring relationship. The commissioning officer incorporates the monitoring of transition fund award into the regular annual structured monitoring of the group.
8. In February 2012 all organisations who had received transition funding were asked to complete a 2 page monitoring report. This covered outputs / activities carried out to date; outcomes achieved and 3 examples of how the organisation has used the transition funding to reconfigure the organisation / make it more sustainable; and learning points including how challenges have been overcome. To date the council has received 32 reports which have been forwarded to relevant departmental commissioners. Several reports were selected for use as case studies for applicants wishing to apply in subsequent rounds and presented at a workshop jointly run by Community Action Southwark and the council on 5th March 2012. Monitoring reports are also used to inform the recommendations in subsequent rounds where organisations have previously been awarded Transition funding.
9. Round 4 was open to any organisation funded by the council irrespective of bids submitted to Rounds 1 - 3 whether successful or unsuccessful. Groups that were unsuccessful in previous rounds were given written feedback and advised that they could re-submit the previous application, submit a new application and/or provide additional information as they deemed appropriate and taking account of the feedback from the previous round. The timescale for Round 4 approved by the Cabinet Member for Equalities and Community Engagement is set out below.

Round 4 Timetable

10.

Monday 13 February 2012	Fund Advertised. CAS e-bulletin. J4b funding portal on the council's website.
Friday 30 March 2012	Deadline for receipt of completed applications
Monday 2 April 2012	Assessment by Officers and Advisory Panel
Friday 4 May 2012	IDM report on decisions published and provisional notification to all organisations of recommendations and their right to make representations to the decision maker at this stage.
Tuesday 15 May 2012	IDM on awards taken (Note: this is earliest decision date, if the decision is taken later other timings will be adjusted accordingly)
Tuesday 15 May 2012	Notice of decision published and call-in period commences
Midnight Tuesday 22 May 2012	End of call-in period (if applicable)
Wednesday 23 May 2012	Implementation of decision

KEY ISSUES FOR CONSIDERATION

11. As with the previous rounds, the availability of this fund in Round 4 was promoted via the council's website and Community Action Southwark's (CAS) e-bulletin. All departmental commissioners were sent the information and asked to forward details to the groups funded via their departmental programmes and provide information, where known, on the level of reductions applied in 2011/13. All council funded voluntary sector organisations were provided with written guidance notes on the application process and criteria against which their applications would be assessed. Departmental commissioners were available to provide support and guidance including attending workshops to support and advise on the application process in an effort to maximise take-up of the funding.

12. As a result of openly advertising the Transition Fund in February 2012 a total of 32 applications were received totalling £547,888. The list of these organisations with recommendations for funding is attached as Appendix 1. The criteria stated that the maximum award would be £25,000 but in exceptional circumstances funding in excess of the maximum award would be considered. Advice was sought from relevant commissioners on applications where they fall within the thematic funding programmes administered by different council departments.
13. A further modification to the criteria for previous rounds provided for discretion to allow awards to organisations where national or other transition funding has been awarded to be assessed on a case by case basis. In using this discretion, the panel advising the cabinet member assessed whether there is any duplication and whether provision of local funding will jeopardise any national or other transition funding, and sought to be satisfied that the Southwark funding was for additional transitional activities not supported by other transition funding.

Assessment and proposals for funding

14. As with previous rounds in assessing the applications at Round 3 officers applied a robust process of scoring against the criteria. This consisted of 3 stages designed to inform the final recommendations of the Advisory Panel which consisted of council officers from relevant council departments together with representatives from CAS and the Forum for Equality & Human Rights as the key designated partners exercising a 'critical friend' role. The criteria for each of these 3 stages are set out in Appendix 2 to this report.
15. Recommendations to the Panel that transition funding should not be awarded were based on the following;
 - Any organisation scoring a zero against one or more of the criteria;
 - Organisations previously awarded Transition funding in Rounds 1 - 3 and where applications to Round 4 did not demonstrate significant difference from previous applications;
 - Organisations whose funding is not likely to reduce in the main or where reductions have not been significant and/or will have a lower impact on both users and the organisation.
16. The advisory panel were provided with information on all applications. No applications were excluded and a robust process of challenge of the scoring process was carried out at every stage.
17. Funding recommended by the advisory panel in Round 4 of the Transition Fund totals £176,250 to 17 organisations. These organisations are listed in Appendix 1 of this report.

Community impact statement

18. The purpose of the Transition Fund is intended to promote the development of a more effective and sustainable voluntary and community sector at a time when the government is withdrawing funding to the public sector. The voluntary and community sector reflects the diversity of the borough and provides vital services to residents in an area of relatively high levels of deprivation and disadvantage.
19. An Equalities Impact Assessment has been undertaken on the previous rounds of the Transition Fund process. This analysis has been used to inform decisions made for Round 4. The aim of the fund is to help mitigate the effects of the reductions in public sector funding to the VCS. The fund will therefore have a positive community impact in the current difficult financial circumstances.

Resource implications

20. The proposed allocation for Round 4 totals £176,250 in addition to £742,584 previously allocated in Rounds 1 - 3 bringing the overall total to £918,834 awarded to a total of 71 organisations. This is within the agreed budget as set out in the Policy and Resourcing Strategy agreed by Council Assembly on 22nd February 2011.

Consultation

21. Consultation was undertaken with Community Action Southwark and across council departments prior to the implementation of the transition fund. The budget proposals that were agreed by the Cabinet on 25 January 2011 and included the proposal to establish the fund and the criteria were published for consultation prior to agreement by Council Assembly on 22 February 2011.
22. Community Action Southwark and officers from across all council departments were on the advisory panel and fed into the process of making the recommendations set out in this report.
23. Individual Cabinet Member decisions are not made at public meetings and therefore representations cannot be made in this way. However, organisations can make written representations that can be made available to the relevant Individual Member before he or she takes the relevant grant funding decision. Organisations can also request to make a representation in person which will again be subject to approval by the Individual Member prior to any decision being made.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Finance Director

24. The finance director notes that the process undertaken to allocate resources for Round 4 was similar to those for Rounds 1 - 3 and has now allocated additional resources to qualifying organisations within the budget identified. The resource implications paragraph above provides more detail and background.

Strategic Director of Communities, Law & Governance

25. The Localism Act 2011 gives councils a general power of competence whereby they have power to do anything that individuals generally may do. This power can be used even if legislation already exists that allows a local authority to do the same thing. However the general power of competence does not enable a local authority to do anything which it was restricted or prevented from doing under that previous legislation.
26. This general power of competence would include:
- (a) incur expenditure;
 - (b) Give financial assistance to any person;
 - (c) Enter into arrangements or agreements with any person;
 - (d) Co-operate with, or facilitate or co-ordinate the activities of any person;
 - (e) Exercise on behalf of any person any functions of that person; and
 - (f) Provide staff, goods, services or accommodation to any person.
27. The establishment and implementation of the Voluntary Sector Transition Fund falls within the scope of the kind of activities the council can undertake under the general power of competence. The Fund would achieve the promotion or improvement of the economic, social and environmental well-being of the council's area. It is also confirmed that the Southwark 2016 document (the council's sustainable community strategy) states that the promotion or improvement of the economic well-being of the council's area is one of its express objectives.

Equalities Impact Assessments

28. The 2010 Equality Act introduced a new Public Sector Equality Duty, which came into effect in April 2011. This covers eight "protected characteristics" (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation). It establishes a General Duty on public bodies such as Southwark Council to have "due regard" in carrying out its functions to the need to:
- Eliminate unlawful discrimination, harassment and victimisation;
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and
 - Foster good relations between people who share a protected characteristic and those who do not.
29. Prior to the assessment of Round 4 applications, an Equality Impact Assessment (EQIA) was carried out analysing applications and awards made in the first two rounds of the Transition Fund. The analysis considered applications and awards in relation to:
- Equality Act protected characteristics;
 - Departmental thematic funding streams.

30. The purpose of the EQIA was to assess whether there are differential equality impacts affecting different communities. The information obtained highlights instances where it appears that there have been a lower number of awards relative to the number of applications received for some departmental funding streams. There are a number of different explanations for this. These include lower funding reductions compared to other funding streams (Supplementary Schools), significant reductions not taking affect until a later date (Community Support Programme, Supplementary Schools) and where there may be overlap with other transition funding (Health and Social Care Innovation Fund).
31. The purpose of the EQIA was to assess whether there are differential equality impacts affecting different communities. The information obtained highlights instances where it appears that there have been a lower number of awards relative to the number of applications received for some departmental funding streams. There are a number of different explanations for this. These include lower funding reductions compared to other funding streams (Supplementary Schools), significant reductions not taking affect until a later date (Community Support Programme, Supplementary Schools) and where there may be overlap with other transition funding (Health and Social Care Innovation Fund).
32. The EQIA findings from Rounds 1 - 3 have been taken into account by the assessment panel for Round 4 and has been used to inform the decision making process. The analysis shows that many of the organisations applying to the Transition Fund serve all sections of the community as well as individuals who come within one or more of the Equality Act protected characteristics. For a number of organisations no specific distinction is made. There are also organisations that target services at particular community groups. The EQIA has captured this information and where this applies analysis has shown that the protected characteristics most represented in both applications and awards relate to age, race, disability and religion/belief. Further EQIA analysis will be carried out at each subsequent stage of the Transition Fund so that the cumulative impacts can be considered.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Reports & minutes for Rounds 1 - 3	Community Engagement 160 Tooley Street London SE1 2QH	Bonnie Royal 020.7525.7389
Equalities Analysis	Community Engagement 160 Tooley Street London SE1 2QH	Bonnie Royal 020.7525.7389

APPENDICES

No.	Title
1	Round 4 Transition Fund Recommendations
2	Assessment Criteria

AUDIT TRAIL

Lead Officer	Stephen Douglass. Head of Community Engagement	
Report Author	Bonnie Royal. Commissioning & Voluntary Sector Support Manager	
Version	Final	
Dated	4 May 2012	
Key Decision	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Cabinet Member	Yes	Yes
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