

	<b>Classification:</b> Open	<b>Date:</b> 22 July 2014	<b>Decision Taker:</b> Cabinet Member for Communities, Employment & Business
<b>Report title:</b>	Community Capacity and Environment & Ecology Voluntary Sector Commissioning Plan 2015/16		
<b>Ward(s) or groups affected:</b>	All		
<b>From:</b>	Strategic Director of Housing & Community Services		

## RECOMMENDATION

1. That the Cabinet Member for Communities, Employment & Business approves the Voluntary Sector Commissioning Plan for 2015/16 for allocation of grants to be awarded under the Community Capacity and Environment & Ecology programmes attached as Appendix 1.

## BACKGROUND INFORMATION

2. The corporate and departmental arrangements for managing the council's funding of voluntary and community sector (VCS) organisations 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 aid. The plans also make reference, where appropriate, to the contracting of organisations (via Contract Standing Orders) to deliver services.
3. Approval of the commissioning plan for the Community Capacity and Environment & Ecology programmes and individual grant approvals over £2,500 is a matter for individual cabinet member decision making. The matter will be considered by the Cabinet Member for Communities, Employment & Business (Constitution: Part 3D para 5).
4. Prior to any award made under the Environment & Ecology programme, the Cabinet Member for Environment, Recycling, Community Safety and Volunteering will be consulted.
5. Oversight of the council's relationship with the voluntary sector, the council's Conditions of Grant Funding and the overall processes for commissioning services from the VCS also comes within the portfolio of the Cabinet Member for Communities, Employment & Business.
6. The process for commissioning grant aided voluntary sector service providers for 2015/16 involves 3 key stages:
  - Development and agreement of the commissioning plan
  - Advertising and assessment of applications

- Report & final decisions.

7. A draft indicative timetable for this process is as follows:

Action	Date of completion
Commissioning plan drafted and signed off by the Cabinet Portfolio Member	July 2014
Advertisement of Community Capacity and Environment & Ecology programmes	W/c 8 <sup>th</sup> September 2014
Workshop for applicants delivered by Community Action Southwark	Second half of September 2014
Closing date for receipt of completed applications	W/c 20 <sup>th</sup> October
Assessment of applications	November 2014
Write to applicants informing them of recommendations and advising of their right to make representations to the decision maker	December 2014
Report to Individual Member Decision maker	December 2014
Formal Notification to groups of IDM decisions	December 2014

8. For 2015/16 the Community Capacity and Environment & Ecology programmes will be openly advertised in September – October with the exception of the element which supports the Council for the Voluntary Sector (CVS) functions for the borough. These services are currently delivered by Community Action Southwark (CAS), the borough CVS. This service was re-commissioned for 3 years in 2011 by way of separate gateway reports and contained provision for a 2 year contract extension to 2016 which was approved via a gateway report in November 2013.
9. The programmes will be advertised on the Community Action Southwark website and e-bulletin; the Southwark funding website Southwark 4 Community; and the South London Press. Currently funded organisations, and council commissioners, will also be informed via email.
10. Once awards have been made, payments for both programmes will be made quarterly.
11. 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; submission of financial information including annual accounts and a half-yearly income / expenditure statement.

## KEY ISSUES FOR CONSIDERATION

### Community Capacity Programme

12. The purpose of the corporate Community Capacity voluntary sector funding 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.
13. The objectives of the Community Capacity programme are to fund organisations that:

- **Engage with diverse local communities** including older people, gender, ethnicity, faith, sexual orientation and disability in order to redress imbalances in quality of life outcomes.
- **Develop and sustain multi-purpose community bases** aimed at tackling social exclusion in deprived areas and neighbourhoods.
- **Promote environment and ecology objectives** listed in paragraph 22.

The priority below which was part of the programme in recent years will be covered by a separate commissioning process for 2015/16. Organisations will not be able to apply to the grants programme for this priority.

- **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.

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

15. The council's Policy and Resources Strategy 2014/15 to 2016/17 Revenue Budget was agreed in February 2014, in the context of unprecedented cuts in its budget settlement from government. For 2014-15 the council's settlement was reduced by £26.9m (10.6%) from 2013-14. Despite this reduction, the Community Capacity programme budget increased from £1,117,907 in 2013-14 to £1,142,404. This increase arose because £27,000 was made available following a one-off reduction in the council's levy to the London Councils grants scheme

This table summarises changes to the Community Capacity programme since 2011-12:

Year	Saving - proposed	Savings - actual	Groups - funding stopped	Groups newly funded	Total funding
2014/15	0	0	0	1	£1,142,404
2013/14	£60,000	£60,000	6	4	£1,117,907
2012/13	£245,000	£77,000	5	7	£1,110,544
2011/12	0	0	0	0	£1,198,196

16. For 2015/16, until the settlement from Government is announced and the council agrees its budget the extent of any reduction to be applied for 2015/16 is not known.

17. A consultation exercise carried out in 2011 found that there was strong support for an approach that targeted funding to priority organisations, rather than blanket budget reductions across all funded groups. Almost half of the groups were also in favour of having one borough wide infrastructure organisation only.

18. For the 2013/14 and 2014/15 programmes it was not deemed necessary to repeat a full consultation exercise. However two consultation workshops were carried out in late 2012 with representatives of groups both funded and not funded through the programme, including Community Action Southwark. At these workshops it was suggested that the council take an investment approach and consider moving to a single infrastructure body. Criteria were applied which required groups to demonstrate that they were going to move towards a unified infrastructure support service in Southwark this over the next 2 years. This will be funded via one single contract.

19. At the workshops it was also agreed that funding recommendations should be guided by the need to ensure stability for the sector, and create sufficient flexibility within the criteria, balancing interests of continuity of funding with the need to ensure that groups not previously funded have the opportunity to apply for and potentially get funding. Duplication should be avoided, and as clear a picture as possible should be obtained of the financial health of organisations applying.
20. For 2015/16 it is proposed that the above principles should continue to be applied. This will result in the delivery of a single infrastructure service. Currently the following services are supported and delivered by 4 organisations
  - Volunteering
  - Book keeping and payroll services
  - Specific capacity building for Peckham-based groups
  - Specific capacity building for refugee community organisation
21. The volunteering and book keeping/payroll service infrastructure support are borough wide resources available to the whole sector. The sector has a key role in providing volunteering opportunities to Southwark residents. This supports pathways to employment, economic activity, well-being and independence and active citizen engagement. The sector is also a major beneficiary of volunteering through the added value provided by time donated in volunteer hours and skills.

It is proposed to include the following elements within the single infrastructure service that will be commissioned separately:

- Volunteering – providing infrastructure to promote volunteering opportunities for residents and other stakeholders
  - Support to include payroll and book keeping services, other technical services to include financial and governance health checks
  - Support for engagement networks across the borough.
22. Organisations wishing to provide infrastructure services will therefore no longer be dealt with under the grants programme. A commissioning process will be put in place and current providers of infrastructure services will be notified of this and of relevant timelines. Organisations currently providing infrastructure services will not be precluded from applying to the grants programme but will have to demonstrate that they are able to meet the revised priorities stated in paragraph 13 in order to be eligible for funding.
  23. For the 2014/15 programme, the council's Environment & Ecology programme was brought into the Community Capacity programme. The objectives of the Environment & Ecology programme are to:
    - Improve the lives of people in Southwark through opportunities to experience parks, open spaces and the natural environment whether for leisure or for learning.
    - Provide services that deliver environmental education and life-long learning, social inclusion and community cohesion outcomes.
    - Develop the environment sector for the benefit of the people of Southwark, recognising the importance of the natural environment in regeneration and neighbourhood renewal, and improving the life chances of young people in the borough.

24. The full commissioning plan for both the Community Capacity and Environment & Ecology programmes is set out in Appendix 1.

### **Strategic Review of the Council's Relationship with the Voluntary Sector**

25. The council's commissioning approach is set out in the VCS Framework, which was agreed by the Executive in 2007. This document sets out the policy and principles governing the council's arrangements for working with, support to and resourcing of Southwark's voluntary and community sector (VCS).
26. In relation to commissioning and funding the VCS, the Framework sets out that the council will operate a mixed economy of grant aid and contracts and will where possible operate on a three-year cycle.
27. For 2015/16 within the Community Capacity programme VCS organisations will be commissioned through grant aid with CVS functions commissioned via contract.
28. The council's Medium Term Resources Strategy 2014-15 to 2016-2017 incorporates the VCS Strategy and a number of outcomes and principles of working with the VCS.

### **Community impact statement**

29. There is a legal duty on Local Authorities to promote equal opportunities, eliminate discrimination and to promote positive community relations. The objective of the Community Capacity programme is to empower and enable hard-to-reach communities and those communities which experience discrimination, to achieve a better quality of life.
30. 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 2010 Equality Act. This information is used to assess the equalities impact of the Community Capacity programme and the impact of any funding reductions. Following feedback from the Southwark Forum for Equalities and Human Rights (FEHRS) the form used to collect this information has been amended in order to clarify the purpose of collecting the information.
31. 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**

32. The total budget available in 2015/16 to fund the Community Capacity Grant Aid programme and the Environment and Ecology programme has not yet been determined as it will be subject to the council's budget review process. In 2014/15 the total budget for the Community Capacity Grant Aid programme is £1,118,467 which includes a rent element of £58,164, leaving £1,060,303 to be awarded as cash grants. The Environment & Ecology programme has a 2014/15 budget of £99,451 available.
33. The council is also committed to providing 3 months notice of funding decisions where necessary which will need to be factored into the budget.

## **Consultation**

34. As described in paragraph 18, in September 2012 a consultation exercise was carried out with representatives of Southwark Voice on revised funding priorities for the commissioning plan. In addition council officers took part in a workshop organised by Community Action Southwark for the broader voluntary and community sector which covered the commissioning priorities and the requirements for making applications. The Forum for Equalities & Human Rights (FEHRS) also commented on the commissioning plan.
35. For 2015/16, the changes that are happening follow on from the consultation that has previously taken place. As a result further consultation was not deemed necessary. CAS, as the umbrella body and the voice of the VCS in Southwark has been consulted.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Legal Services**

36. The Director of Legal Services notes the contents of this report and confirms that under Part 3D of the Council's Constitution the agreement of significant programmes relating to revenue and capital budget allocations and the approval of grants of over £2,500 to voluntary sector organisations is a matter that is reserved to IDM for decision.
37. Pursuant to section 149 of the Equality Act 2010 the council has a duty to have due regard in its decision making processes to the need to:
  - (a) Eliminate discrimination, harassment, victimisation or other prohibited conduct;
  - (b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not
  - (c) Foster good relations between those who share a relevant characteristic and those that do not share it.
38. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The PSED also applies to marriage and civil partnership, but only in relation to (a) above.

Paragraphs 28 to 30 and 33 of the report shows that this duty has been complied with.

### **Strategic Director of Finance & Corporate Services**

39. This report sets out the Voluntary Sector Commissioning Plan for 2015/16 and as such does not yet commit the council's resources to any organisation. Once submissions from voluntary organisations have been received and reviewed, a Gateway process will formalise the level of commitment of Council resources to the programme.
40. As stated in paragraph 33, the Council's current budget to fund the Community Capacity programme is £1,118,467 whilst £99,451 is available to fund the Environment & Ecology programme, but this does not take into account any efficiency savings to the programme that may emerge during the 2015/16 budget setting process.

## BACKGROUND PAPERS

Background Papers	Held At	Contact
Community Support Grants Programme 2014/15	Housing & Community Services 160 Tooley St SE1P 5LX	Andy Matheson Tel: 020 7525 7648
Southwark Compact	Housing & Community Services	Andy Matheson
Council-Voluntary and Community Sector Framework Document - April 2007	Housing & Community Services	Andy Matheson
Medium Term Resources Strategy 2014-15 – 2016-2017	Finance & Resources	Andy Matheson

## APPENDICES

No.	Title
Appendix 1	The Community Capacity Commissioning Programme: Commissioning Plan 2015/16

## AUDIT TRAIL

<b>Lead Officer</b>	Stephen Douglass. Head of Community Engagement	
<b>Report Author</b>	Katherine Pitt, Commissioning Officer, Housing & Community Services	
<b>Version</b>	Final	
<b>Dated</b>	22 July 2014	
<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>
Director of Legal Services	Yes	Yes
Strategic Director of Housing and Community Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	22 July 2014	