

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 13 April 2016	<b>Meeting Name:</b> Cabinet Member for Communities and Safety
Report title:		Establishment of a Southwark Giving Scheme	
<b>Wards or groups affected:</b>		All	
<b>From:</b>		Director of Communities	

## RECOMMENDATION

1. That the Cabinet Member for Communities and Safety approves the participation of the council in the setting up of the Southwark Giving Scheme and approves the allocation of funds to enable the launch of the scheme and to meet development costs for 2016-17.

## BACKGROUND INFORMATION

2. The reduction in local authority funding over the last 5 years has resulted in Southwark having experienced a cut of 40% since 2010. Austerity has had an impact on local residents who are economically marginalized or not active in the labour market with significant pressures on services, reductions in welfare benefits and the need to tighten thresholds for accessing some services. This changing picture has led to additional needs emerging and difficulty in establishing which needs are not being met.
3. In 2014 a group of organisations started meeting to explore the feasibility of developing a place-based giving scheme for Southwark. They include voluntary and community sector (VCS) groups, local charitable funders and trusts, businesses, partnership improvement bodies and the council.
4. The vision that underpins the scheme lies in its potential to help address need in the borough in a strategic and coordinated way and to leverage additional support, funding and goodwill. The scheme will provide more opportunities for the business and corporate sector to engage with and connect to Southwark communities, whether directly or through the VCS.
5. As well as making new and stronger connections across sectors the ambition is that the scheme will increase linkages and connectivity within sectors. To give an example smaller and medium sized enterprises will be able to access and offer opportunities that without the scheme, would be time consuming and cumbersome to arrange on an individual company basis.
6. The scheme will focus on Southwark as a place, with its history, identity and needs within inner London. It will provide a framework for different sectors to work together exploring how resources can be pooled and responding to unmet needs in the borough.
7. The size of the charitable sector with 1,125 registered charities means that it makes a significant contribution to the economic well-being of the borough by providing jobs and volunteering opportunities. In recent years there has been a significant growth in the number of corporates having a base in the northern part

of Southwark. There are indications that at least some of these businesses wish to do more than just have a physical presence locally and will actively engage with locally focused initiatives given the opportunity to do so.

8. The borough is changing rapidly in its demographic profile as part of wider changes to the London economy. The evidence from initial engagement with the business sector is that companies have a range of motivations for getting involved with a giving scheme. These include:
  - Meeting corporate social responsibility (CSR) commitments
  - Providing external volunteering and team building opportunities that make a difference for employees and in addition may have a social value benefit
  - Having access to a skilled, local workforce able to fill employment gaps including apprentices
  - Connecting with local communities
  - Contributing to meeting need
  - Providing in-kind support and expertise to local VCS groups
9. There are also a large number of smaller and medium size businesses who do not have a CSR lead. Setting up the scheme would provide more opportunities for this business sector to engage without having to start from scratch.
10. A number of other London boroughs have set up giving schemes, with the first two being Islington and Hackney. The development of schemes has been supported by City Bridge Trust, the City of London's charitable giving body, working with London Funders, an umbrella body of London funding organisations that includes trusts, foundations, local government and Big Lottery Fund.
11. The development of and leadership of these schemes has been shaped by the local landscape and who the key local stakeholders are. These reflect the history of a borough, where the existence of local trusts and charitable organisations is intertwined with how industry and trading developed and took root. In Southwark, the Wakefield and Tetley and United St Saviour's Charity have been actively involved in the early developmental phase of Southwark giving.
12. Southwark's long history of trading and industry and its recent dynamic business growth including expansion from the City means it is well placed to build on existing resources and to capitalize on this growth. The Southwark giving scheme will continue and revitalise the long history of business engagement at a time when there are opportunities to lever in new elements made possible by the ease of communication afforded by online platforms and social media. There is the potential to facilitate other established ways of giving such as crowd funding as well as community participation in influencing how previously unmet needs are identified and responded to.

## **KEY ISSUES FOR CONSIDERATION**

13. The council is exercising its leadership role in supporting and facilitating the development and set up of the scheme. It is the most important funding body locally. However, for the scheme to thrive and develop its own momentum it needs to develop the confidence and support of a broad range of stakeholders and to be entirely independent of the council. It will need to establish its own identity, recognition and level of awareness to be more than the sum of its parts.

14. The form that already established giving schemes have taken indicates that there isn't one model of delivery that has been tried and tested and adopted locally. The key learning that has emerged is that it takes time to build engagement and that there is no short cut to doing so for setting up this new scheme.
15. The council's view is that the time is right for it to make an investment in the set up costs. This will provide resources and confidence for the next phase of development and for the launch of the scheme with an indicative timeline of September 2016. There is a risk that without this financial investment at the present time there will be a loss of momentum and that other schemes will continue to be launched in other areas.
16. Community Southwark, a VCS body, has led on the initial engagement with other funding bodies and potential business stakeholders. This preparatory work has been ongoing for a number of months and has been met through their existing resources.
17. There is a strong sense from the current giving scheme steering group organisations that the exploratory stage of development has reached a conclusion and that there is a need to move forward with the next phase of launching the project. As a significant number of representative stakeholders have been involved, there is a quiet confidence that the project launch will find sufficient traction to make headway and that key partners from the different sectors will act as champions of the scheme and build awareness and involvement within their areas.
18. Steering group members have indicated that Community Southwark is best placed to take on the role of initial project host and to co-ordinate the set up stages. This is in part recognition of the developmental work carried out to date and also because it is the lead body for volunteering within the borough. It brokers volunteering opportunities with the business sector and manages programmes such as Involve.
19. Community Southwark has provided a 2016/17 Southwark Giving Development Plan which is attached as Appendix 1. This sets out the next four stages of development:
  - Research
  - Corporate engagement
  - Visioning
  - Southwark Giving Partnership priorities leading to launch.
20. Year two 2017/18 includes a further development stage whereby the partnership would be expanded to include SMEs, local philanthropists and people in the community who like to contribute locally.
21. This report seeks approval of the project set-up funds which total £53,352. These are as follows:
  - Staff time for the first year at 2 days per week: £16,852
  - Marketing and communications: £31,500, to include:
    - Third party marketing and communications
    - Developing a local giving website

- Brand development
    - Marketing materials
  - Costs for launch and engagement events including venues: £5,000
22. The council will not support further identified costs for a research element which total £7,500. Other local funders have indicated they will contribute to these costs subject to a commitment that the other costs will be met by a funder. The research project will be used to map existing engagement between businesses and the VCS and will inform the development of business community priorities. It is anticipated that some additional development funding may be available from other London wide charitable funders who have to date supported the set-up of place based giving schemes.
  23. The set-up funds will be held by Community Southwark, towards the salary costs of one member of staff and also for engaging service suppliers to ensure that the elements of project set-up and launch are delivered to a high standard and meet the requirements of the working group.
  24. The exact timings for the launch of the scheme will be established during the next phase of development. The council will maintain its role as an active partner in the development of the scheme whilst exercising a monitoring role for the investment funding to ensure that best value is obtained.
  25. A number of VCS organisations have expressed concern that the scheme could disrupt existing bi-lateral relationships with businesses. Although it is thought unlikely that this could be an unintended consequence of the scheme, the research project will aim to map existing relationships to reduce the likelihood of this happening. In engaging with the business sector and identifying potential priorities for giving, the aspiration is that increased opportunities for relationships will emerge with a wider reach.

### **Policy Implications**

26. As part of the Fairer Future policy, Southwark is committed to building a strong local economy. A Major Business Forum has been established chaired by a locally based corporate. Linkages between Southwark based giving and the Forum are being put in place.
27. Research on why businesses should engage with communities was presented to the steering group and found that the motivations for this sector were image and reputation and employee engagement:
  - 60% felt it was their duty to engage in 'company citizenship'
  - 20% were not interested in getting involved
  - 30% said that they could do more
28. The Southwark giving scheme is intended to build engagement and will encourage latent motivation within the business sector to emerge and become actualized. If realized this will build connections and result in added value and activity that will be beneficial in a number of ways.

## **Community impact statement**

29. It is intended that as a result of the council's participation and enabling role in the set-up of the scheme there will be a positive community impact. The scheme will provide more opportunities for engagement between different sectors in Southwark with the broad aim of providing more activity and resources for the benefit of local communities. The council has a Public Sector Equality Duty to reduce discrimination and to promote equality of opportunity for those who share relevant protected characteristics and those who do not. The scheme will establish which priority needs the additional resources will be targeted at and who the intended beneficiaries are. The council as a participant in the scheme will monitor how these relate to groups of people who are covered by one or more of the protected characteristics.

## **Consultation**

30. Stakeholders in the different sectors have been involved through the steering group and have contributed to the development of the scheme. Officers have also been in contact with other local authority areas and the steering group has had access to strategic support provided by London Funders.

## **Resource Implications**

31. The funds will be met from within the existing Communities Division budget via a drawdown from an established reserve and there are sufficient funds within this reserve. There are no additional resource requirements arising from the implementation of the recommendations within this report other than those set out in paragraph 21 above. The recommendations do not give rise to additional staffing costs or resources. The monitoring of the funds will be carried out by an officer responsible for monitoring the delivery of a contract with the council that is held by Community Southwark.

## **Financial Implications**

32. The financial implications are set out in paragraph 21 and it is not anticipated that there will be further financial implications for the council. It is expected that the council's investment of funds in the set up of the scheme will result in additional financial and other resources becoming available for the benefit of Southwark communities.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Democracy**

33. The Cabinet Member is advised that they are able to take the decision set out in the recommendation, under Part 3D of the council's constitution.
34. Section 1 of the Localism Act 2011 gives a local authority the power to do anything that individuals generally may do. The council's contribution to the establishment of the Southwark giving scheme, and the provision of funding to contribute to costs associated with the launch and development of the scheme, is within the scope of this general power.

35. In the exercise of any of its functions – including the taking of this decision – the Cabinet Member must give due regard to the need to need to eliminate discrimination, advance equality of opportunity, and foster good relations between people with protected characteristics and those with none (the “public sector equality duty” in section 149 Equality Act 2010). The Cabinet Member is referred to the Community Impact Statement in the body of the report.

**Strategic Director of Finance and Governance (FIN0889 – JB)**

36. The report seeks approval to provide set up funding of £53,352 to Community Southwark to launch a Southwark Giving Scheme. Paragraph 31 notes that the funding will come from the Community Engagement & Links Development reserve and there are sufficient monies available for the purpose..
37. The set up funding is expected to be the limit of Southwark’s financial involvement in the scheme and management should ensure the resources provided achieve the aims of the project as noted in paragraphs 21 through the monitoring activities mentioned in paragraph 24.

**BACKGROUND DOCUMENTS**

Background Papers	Held At	Contact
None		

**APPENDICES**

Appendices	Title:
No:1	Southwark Giving Development Plan 2016-17
No:2	Southwark Giving Research Brief

**AUDIT TRAIL**

<b>Lead Officer</b>	Stephen Douglass, Director of Communities	
<b>Report Author</b>	Andrew Matheson, Senior Commissioning Officer	
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<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
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Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
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