



AGENDA FOR THE VOLUNTARY AND COMMUNITY SECTOR COMMITTEE

Members of the Voluntary and Community Sector Committee are summoned to an additional meeting which will be held in Committee Room 6 at the Town Hall, Upper Street, N1 2UD on **12 December 2014 at 11.00am***

***please note start time**

John Lynch
Head of Democratic Services

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Despatched : 3 December 2014

Membership 2014/15

Councillor Richard Watts (Chair)
Councillor Andy Hull
Councillor Rakhia Ismail

Substitute Members

Councillor Janet Burgess
Councillor Joe Caluori

Observers

Councillor Aysegul Erdogan
Councillor Mouna Hamitouche
Councillor Jean-Roger Kaseki
(1 vacancy)

Quorum: is 2 Councillors



A. Formal Matters

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1. Apologies for absence
2. Declaration of substitute members
3. Declarations of interest

If you have a Disclosable Pecuniary Interest* in an item of business:

- if it is not yet on the council's register, you must declare both the existence and details of it at the start of the meeting or when it becomes apparent;
 - you may choose to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency.
- In both the above cases, you must leave the room without participating in discussion of the item.

If you have a personal interest in an item of business and you intend to speak or vote on the item you must declare both the existence and details of it at the start of the meeting or when it becomes apparent but you may participate in the discussion and vote on the item.

*(a) Employment, etc - Any employment, office, trade, profession or vocation carried on for profit or gain.

(b) Sponsorship - Any payment or other financial benefit in respect of your expenses in carrying out duties as a member, or of your election; including from a trade union.

(c) Contracts - Any current contract for goods, services or works, between you or your partner (or a body in which one of you has a beneficial interest) and the council.

(d) Land - Any beneficial interest in land which is within the council's area.

(e) Licences- Any licence to occupy land in the council's area for a month or longer.

(f) Corporate tenancies - Any tenancy between the council and a body in which you or your partner have a beneficial interest.

(g) Securities - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

This applies to all members present at the meeting.

B. Matters for decision

1. Support to local voluntary organisations: Extension of grant awards from the Voluntary and Community Sector Grants Fund and the Advice Fund to 31 March 2016. **3**

The next ordinary meeting of the Voluntary and Community Sector Committee will be on
19 January 2015



Report of: **Executive Member for Community Development**

Meeting of:	Date	Agenda item	Ward(s)
Voluntary and Community Sector Committee	12 December 2014		All

Delete as appropriate		Non-exempt
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SUBJECT: Support to Local Voluntary Organisations: Extension of Grant Awards from the VCS Grants Fund and the Advice Fund to 31 March 2016

1. Synopsis

- 1.1 This report sets out the background to a review of the council's support to local voluntary organisations. It explains the financial challenge facing the council and references the feedback from a recent formal consultation with the voluntary sector. It suggests that the council, local voluntary organisations, and other partners should work together to develop and implement a resiliency strategy for the voluntary sector and, to allow space for this to occur, asks the VCS Committee to extend current grant awards from the VCS Grants Fund and the Advice Fund for twelve months to 31 March 2016.

2. Recommendations

- 2.1 To agree to extend current grant awards from the VCS Grants Fund and the Advice Fund for twelve months to 31 March 2016. A list of awards is attached as an appendix to this report.

3. Background

- 3.1 The voluntary sector lies at the heart of the council's ambition for a fairer Islington. Each day, hundreds of staff and volunteers in community organisations across the borough provide valuable services to our most vulnerable residents. In 2014/15 the council will spend almost £40m on services delivered by the voluntary sector.
- 3.2 Unprecedented cuts in public spending imposed by central government present enormous challenges to maintaining essential services and responding to new demands. Since 2010/11 the council has had to cut its spending by £112 million and we expect to have to find another £95 million savings over the next four years. By 2018 we expect our overall budget to have more than halved since 2010.
- 3.3 Reduced resources mean that we will have to find new ways of meeting our priorities, which residents

say are jobs, housing and coping with the rising cost of living, and we are open to voluntary sector solutions to improving local services. We want to work with innovative organisations that are well run, provide value for money and deliver positive outcomes for residents.

- 3.4 The council acknowledges the importance of its financial support to local voluntary groups and to the infrastructure that sustains and enables the wider sector to flourish. We will continue to provide funding, and although we won't be in a position to do so to the same extent in future years, we believe we can retain a thriving voluntary sector in Islington if we work together creatively and imaginatively.
- 3.5 To help the council develop its thinking around future support for local voluntary organisations we held an eight week consultation from mid June to mid August 2014. The focus of the consultation was the Islington Community Fund – a £3.4 million pot of money which has six grants programmes.
- 3.6 More than 40 organisations sent in individual responses to the consultation. We also received written feedback from workshops facilitated by Voluntary Action Islington which were attended by 30 representatives of local organisations.
- 3.7 The council is considering this feedback very carefully and is looking at ways of supporting local voluntary organisations to develop greater resilience and independence themselves and within the communities they serve. Suggestions for areas we would like to explore with the voluntary sector, and with other partners, include diversifying income by securing more external funding, reducing costs on things like premises, and strengthening the key skills needed to run successful organisations.
- 3.8 Work on developing a resiliency strategy for the voluntary sector has begun and we plan to use this as the basis for discussions with local organisations, beginning at the annual Islington Voluntary Sector Conference which was held on 29 November 2014. There will be further opportunities for dialogue in the new year.
- 3.9 The VCS Grants Fund and the Advice Fund are the two largest programmes within the Islington Community Fund. Together these two programmes fund 47 strategically important local organisations to a total value of £2.3 million per year. A list of grant awards is attached as an appendix to this report.
- 3.10 Funding agreements are due to end on 31 March 2015. To allow more time to develop and implement a resiliency strategy with the local voluntary sector the council is proposing to extend current grant awards from the VCS Grants Fund and the Advice Fund for twelve months to 31 March 2016.
- 3.11 The amount of funding allocated to each organisation will be the same as in the current financial year. Payment of grant awards will continue to be conditional on meeting agreed outcomes which officers will negotiate with each organisation using existing performance frameworks.
- 3.12 The council is committed to giving a minimum of three months' written notice to VCS organisations if their funding is reduced or withdrawn. Agreeing to extend these grant awards now will provide the voluntary sector with greater financial certainty in the near term and will enable the trustees of local organisations to plan ahead and agree their budgets for 2015/16.

4. Implications

4.1 Financial implications:

Extending current grant awards from the VCS Grants Fund and the Advice Fund for twelve months to 31 March 2016 has been factored in to the council's budget setting arrangements for 2015-16 and is affordable.

4.2 Legal Implications:

The council has power to provide grants to voluntary and community sector organisations under the general power of competence set out in section 1 of the Localism Act 2011.

The provision of these grants is likely to be associated with state aid. The council can provide state aid in relation to 'services of general economic interest' (SGEI) as detailed in Article 106(2) of the Treaty on the Functioning of the European Union and Schedule 3 paragraph 4 of the Competition Act 1998.

Aid of up to €500,000 (approximately £407,675) may be provided to an organisation for SGEI so long as that organisation has not received de minimis aid from any other source in the last three fiscal years which would result in the total de minimis aid to that organisation exceeding the €500,000 (Commission Regulation No 360/2012, the "de minimis Regulation").

In the event that an organization has received other de minimis aid that takes it over the threshold of £407,675, there is an alternative regime for SGEI exemption for high value compensation that may be used. This was established by Commission Decision (2012/12/EU, the "Decision") that came into force on 31 January 2012. Should this be necessary the detailed rules on calculation of cost and record keeping and reporting set out in the Decision will need to be complied with.

In extending the existing grant agreements as proposed in the report the total value of grant provided to each organization over the extended period needs to be calculated in order to ensure compliance with the SGEI requirements as appropriate.

The council must also ensure that it complies with its duty to secure best value (Section 3 of the Local Government Act 1999).

4.3 Environmental Implications

None

4.4 Resident Impact Assessment:

An Equality Impact Assessment was completed in 2011 to assess the impact of Islington Community Fund on different groups of residents. The impact was found to be mainly positive. A copy of the EIA was published as an appendix to the Islington Community Fund report to Executive Committee on 17 March 2011. A Resident Impact Assessment will be completed when a firm set of proposals for reviewing the council's support to voluntary organisations has been agreed. The positive impact of extending current grant awards for 12 months and thereby enabling a wide range of communities to continue to benefit from council funding should outweigh any negative impact caused by delaying the opportunity for new organisations to apply for awards from the VCS Grants Fund and the Advice Fund.

5. Conclusion and reasons for recommendations

- 5.1 The council has had a strong partnership with the voluntary sector stretching back over many years and values highly the role that local organisations play in meeting the needs of some of Islington's most vulnerable residents. Extending grant awards from the VCS Grants Fund and the Advice Fund for 12 months will enable the council to develop a resiliency strategy with the voluntary sector and consider how best to provide support for local organisations beyond 2016.

Appendix:

VCS Grants Fund and Advice Fund: List of Grant Awards

Background papers:

None

Final report clearance:

Signed by:



Executive Member for Community Development

3 December 2014

Received by:

Head of Democratic Services

Date

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VCS Grants Fund and Advice Fund: List of Grant Awards

Organisation	Grant award per year (£)	Theme	Ward based in
Islington CAB	300,000	Advice	St. Mary's
Islington Law Centre	500,000	Advice	St. Peter's
Islington People's Rights	165,000	Advice	Finsbury Park
Help On Your Doorstep	200,000	Advice	Various
All Change Arts	20,000	Arts	St Peter's
Almeida Theatre Company	10,000	Arts	St Mary's
Islington Arts Factory	15,000	Arts	Holloway
Rowan Arts	15,000	Arts	Holloway
Algerian British Connection	10,000	Cohesion/BME	Caledonian
Arab Advice Bureau	25,000	Cohesion/BME	Highbury West
B2B Create	5,000	Cohesion/BME	Holloway
Eritrean Community in the UK	20,000	Cohesion/BME	Finsbury Park
Finsbury Park Mosque	20,000	Cohesion/BME	Highbury West
Holloway Mosque	10,000	Cohesion/BME	Highbury West
IMECE Turkish Speaking Women's Group	20,000	Cohesion/BME	Mildmay
Islington Bangladesh Association	25,000	Cohesion/BME	Caledonian
Islington Chinese Association	15,000	Cohesion/BME	Tollington
Islington Link-Up	10,000	Cohesion/BME	Finsbury Park
Islington Somali Community	25,000	Cohesion/BME	Finsbury Park
Kurdish & Middle Eastern Women Organisation	10,000	Cohesion/BME	Hillrise
Light Project International	15,000	Cohesion/BME	Caledonian
Muslim Welfare House	20,000	Cohesion/BME	Finsbury Park
Somali Speakers Association	15,000	Cohesion/BME	Barnsbury
Tollington Parish (St. Mark's Church)	20,000	Cohesion/BME	Finsbury Park
Turkish Education Group	10,000	Cohesion/BME	Mildmay
Disability Action in Islington	40,000	Disability	St Mary's
Caxton House Community Centre	30,000	Hub	Hillrise
Finsbury Park Community Hub (Andover CC)	60,000	Hub	Finsbury Park
Hanley Crouch Community Association	60,000	Hub	Tollington
Highbury Roundhouse	50,000	Hub	Highbury East
Highbury Vale Blackstock Trust (Elizabeth House)	30,000	Hub	Highbury West
Hilldrop Area Community Association	25,000	Hub	St George's
Hornsey Lane Estate Community Association	25,000	Hub	Hillrise

Mildmay Community Partnership	60,000	Hub	Mildmay
Peel Institute	40,000	Hub	Clerkenwell
St Luke's Parochial Trust	60,000	Hub	Bunhill
Whittington Park Community Association	60,000	Hub	Junction
Bemerton Villages Management Organisation	15,000	Hub	Caledonian
Creative Islington	40,000	Network	Holloway
Every Voice (Islington BME Forum)	20,000	Network	Caledonian
Islington Faiths Forum	25,000	Network	Bunhill
Islington Pensioners Forum	5,000	Network	St. Mary's
Islington Refugee Forum	20,000	Network	Caledonian
Voluntary Action Islington	40,000	VCS Support	Caledonian
Islington Community Network (Hosted by VAI)	20,000	VCS Support	Caledonian
Octopus Community Network	20,000	VCS Support	Hillrise
Here To (Isledon Partnership)	55,000	Volunteering	Finsbury Park
TOTAL	2,300,000		