

Report of: Executive Member for Community Development

Meeting of:	Date	Ward(s)
Executive	15 September 2016	All

Delete as appropriate		Non-exempt
-----------------------	--	------------

SUBJECT: Islington VCS Partnership Grants Programme 2016-2020 – Retained Funding Allocation

1 Synopsis

- 1.1** In November 2015 the VCS Committee ratified the Council's VCS Strategy, "*Towards a Fairer Islington: Voluntary & Sector Strategy 2016 – 2020*" (Appendix 1). Towards a Fairer Islington re-emphasised the Council's ongoing commitment to providing core grant funding to VCS organisations to deliver a range of activities and services that improve outcomes for local residents; and that can help build resilience and capacity across the sector.
- 1.2** In January 2016 the VCS Committee agreed proposals for a new VCS Partnership Grants Programme 2016-2020, to replace the Islington VCS Grants Fund and Advice Fund, across five programme strands:
- 1) Strategic Partners – Borough-wide Infrastructure
 - 2) Strategic Partners – Neighbourhood
 - 3) Delivery Partners
 - 4) Strategic Partner – Volunteering; and
 - 5) Strategic Partners – Advice
- 1.3** At the Council's VCS Committee in June 2016, grants were allocated to 43 organisations and one consortium, to the value of £2,554,000 per annum. Grant awards to run from 1st October 2016 to 31st March 2020.
- 1.4** Following an analysis of the proposed portfolio, including ongoing equality assessments and a Resident Impact Assessment (Appendix 2), The VCS Committee agreed the recommendation to retain £142,000 per annum of the overall annual budget of £2,696,000 for organisations provide strategic leadership and voice for people with disabilities, older people, inter-faith work, and organisations working in Caledonian Ward. This equates to a

total retained funding pot of £490,000 available between 1st October 2016 and 31st March 2020.

- 1.5 Between June and Sept 2016, the VCS development team worked with key corporate and voluntary and community sector funding partners to develop specifications for these areas of work, and where possible secure additional funding. This work has resulted in commitment to align resources with the Council's Housing Department (£80,000 over two years), Cripplegate (£90,000 over three years). These investments increase the available resource for these areas of work to a total funding pot of £660,000 for the period 1st October 2016 to 31st March 2020.
- 1.6 This report provides an overview of partnerships that have been established and recommendations on the allocation of this funding to address the gaps identified in the report to VCS Committee on 16th June 2016.

2 Recommendations

- 2.1 To agree the recommendations set out in section 8 of this report, which seek to address the identified gaps in the portfolio of VCS organisations awarded grant funding in June 2016.
- 2.2 To agree the allocation of funding of £131,428 per annum from the VCS budget, and a total of £460,000 between 1st October 2016 and 31st March 2020 which levers and additional £170,000 from other partners, as set in in section 8 of this report.

3 Background

- 3.1 Since August 2014, and to help the Council develop its thinking around future support for local voluntary organisations, the Council held a series of consultation events with the Voluntary and Community Sector, other public sector bodies and potential future investment partners. This work led to the development of a new VCS strategy for Islington. *"Towards a Fairer Islington: Voluntary & Community Sector Strategy 2016 – 2020"*. The Council's Voluntary and Community Sector Strategy 2016-2020 was agreed at VCS Committee in November 2015.
- 3.2 At a time when central government is cutting funding for public services and cutting welfare benefits for those out of work and in work, the VCS Strategy recognises that the need for a strong, resilient, independent voluntary and community sector, able to respond to the needs of Islington's residents, is greater than ever. The Strategy recognises the key role that the sector will have over the next four years in:
 - Addressing and preventing deeper complex social issues and long-term challenges that affect our residents
 - Supporting residents to be independent and resilient
 - Promoting community cohesion and championing equality
 - Supporting neighbourhoods and communities to grow
 - Providing or sign-posting residents to appropriate, high quality advice and guidance
- 3.3 The VCS Strategy identifies four ways in which the Council will continue to support the sector and its work in meeting the needs of residents:
 - **Funding:** including partnership grants and small grants programmes, a bespoke training and capacity building fund, and discretionary rate relief.

- **Commissioning and procurement:** Commissioning organisations to deliver services, and ensuring social value is included in our approach to commissioning.
- **Premises:** developing a borough-wide premises strategy that maximises the use of our buildings, and enables organisations to share premises, reduce costs and maximise income generation.
- **Working strategically with key partners:** to build the capacity of the sector, promote volunteering, support fundraising, establish networks, maximise our collective impact in neighbourhoods, and ensure a coordinated whole-Council approach to the VCS

4 The Islington VCS Partnership Grants Programme 2016-2020 – Retained Funding

4.1 At its meeting in June 2016, Islington’s VCS Committee agreed recommendations to provide funding of £2,554,000 per annum to 43 organisations and one consortium and to retain and award up to £140,000 per annum to address identified gaps in the portfolio of organisations. Specifically:

- Disabilities – Borough-wide
- Older people – Borough-wide
- Inter-Faith and Hate Crime
- Caledonian Ward – Delivery Partners
- Caledonian Ward – Neighbourhood Partner

5 Aligning Priorities and Securing Additional Investment

5.1 Between June 2016 and September 2016, Islington’s VCS Team has sought to engage with partners from HASS, Community Safety, Islington’s Clinical Commissioning Group and Islington’s Voluntary and Community Sector to scope specifications that speak to the priorities identified by these partners, and where possible, to align future procurement and investment in a coherent manner.

5.2 As a result of this engagement opportunities have been identified to establish a partnership approach to investment in neighbourhood delivery in Caledonian Ward with the Council’s Housing department (£40,000 per annum for two years) and Cripplegate (£30,000 per annum for three years). This partnership will see the development and delivery of a community development scheme programme for the ward.

5.3 Further work has been undertaken with HASS, NHS and Cripplegate to assess and evaluate current provision for residents with disabilities with the aim of aligning the work of Islington’s VCS Team with that of the development of Islington’s Prevention Alliance.

5.4 The partners identified above have been engaged to support the development of bespoke specifications in the areas of disabilities, older people, inter-faith work and delivery in the Caledonian ward. These specifications were issued, through a co-design approach, to organisations with a proven track record of working in these areas and that had submitted applications in the original programme.

5.5 Strategic Partners – Borough-wide – Disabilities

This funding stream was established to support strategic borough-wide organisations with the necessary expertise and capacity to:

- Act as a strategic leader in the area of disabilities
- Deliver, co-produce or provide sign-posting to services that improve wellbeing and quality of life for disabled people

- Transform attitudes and behaviours towards disabled people
- Ensure that Islington's voluntary and community sector and statutory services are responsive to the needs of disabled people

5.6 Strategic Partners - Borough-wide Older People

This funding stream was established to support strategic borough-wide organisations with the necessary expertise and capacity to:

- Provide strategic leadership for older people's services in Islington
- Deliver, co-produce or provide sign-posting to services that improve wellbeing and quality of life for older people
- Ensure that statutory services and Islington's voluntary and community sector are responsive to the needs of older people
- Transform attitudes and behaviours towards older people across Islington

5.7 Strategic Partners – Interfaith and Hate Crime

This funding stream was established to support strategic borough-wide organisations with the necessary expertise and capacity to:

- Act as a strategic leader for Inter-faith work in Islington
- Promote community cohesion and ensure that Islington is a place where diversity is valued, community relations are positive and people have a shared sense of belonging
- Identify, respond to and challenge all forms of intolerance, prejudice and hate crime emerging from, or affecting faith communities
- Strengthen the ability of faith-based organisations to positively engage with the local community, and for VCS organisations to positively engage with faith communities

In addition, Community safety has made a commitment to resource faith partners specifically affected by the adverse effects of hate crime. The specification and tender for this programme will be developed and delivered by the Council's Community Safety Team with support from the Council's VCS Team.

5.8 Delivery Partners – Caledonian

This funding stream was established to support organisations working in Caledonian ward with the necessary expertise and capacity to:

- Lead and deliver a programme of activities and services that improve outcomes for residents in the Caledonian Ward
- Promote community cohesion and ensure that Caledonian Ward is a place where diversity is valued, community relations are positive and people have a shared sense of belonging.
- Strengthen the VCS in Caledonian Ward by improving the ability of local organisations to be independent and resilient

5.9 Neighbourhood Partner – Caledonian

In partnership with Islington's Clinical Commissioning Group, Islington Council's Housing Team intends to set up a Community Wellbeing Project in Caledonian Ward, an approach that builds on the Good Neighbours Scheme developed by Cripplegate. The Council's Housing department has set aside a budget of £80,000 to deliver this project in Caledonian Ward between September 2017 and September 2019 (£40,000 per annum).

Cripplegate governors are committed to maintaining their support of voluntary and community sector organisations that can deliver social improvements in Caledonian ward, and have made a commitment to invest £30,000 per annum over a three year period.

Within this context, Islington's Housing and VCS Team have established a partnership with Cripplegate to ensure that investment in the ward is coherent, coordinated and extended until March 2020; with the aim of maximising value for residents and impact in the ward.

Similar schemes in other parts of the borough have been delivered within a budget of £75,000 per annum per annum. Delivering a scheme of this nature in Caledonian ward between October 2016 and 31st March 2020, would therefore cost approximately £262,500. Finance for this could be achieved through an investment of £80,000 from Housing, £92,500 from Islington's VCS Team and £90,000 from Cripplegate.

Work is underway to finalise a specification and tender process to ensure the delivery of an expanded community development programme in Caledonian ward. This work will be led by Islington Council's Housing Department.

6 Budget

- 6.1** At its meeting in January 2016, the VCS Committee agreed to retain £140,000 per annum of the overall budget of £2,696,000 until 31st March 2020. In addition, commitment has been secured to align a further £40,000 from Housing (over two years) and £30,000 from Cripplegate for three years. These investments increase the available resource for these areas of work to a total funding pot of £660,000 for the period 1st October 2016 to 31st March 2020, equivalent to £188,571 per annum.

7 Applications

- 7.1** For priorities where no further financial partnerships were possible to establish, prospectuses were issued to organisations that have a demonstrated expertise in delivering against the priority areas, and that submitted applications in the first round of VCS Grants funding. Including:
- Disabilities – Borough-wide: Disability Action Islington
 - Older people – Borough-wide: Islington Pensioners Forum
 - Inter-Faith and Hate Crime – Borough-wide: Islington Faith Forum
 - Caledonian Ward – Delivery Partners: Copenhagen Youth Project and Light Project-Pro International
- 7.2** For all strands, detailed feedback on organisation's original applications was provided and applicants were invited to submit a written application in response to the prospectuses issued and application forms. Applications were received from all organisations, with the exception of DAI, who have not responded within the available timeframe.
- 7.3** All applications received were independently assessed against the minimum criteria outlined in the prospectuses and in line with scoring matrices established for each grant strand. Applicants' responses to each of the criteria within the scoring matrix were rated on a scale of 1 to 5. Moderation meetings were held with assessors for each strand. All of the scores of individual officers were aggregated to identify an overall average score for each application. Each organisation was then visited to provide verbal feedback and refine proposals.

8 Funding Recommendations

8.1 Funding is recommended for four organisations as outlined in Table 1.

Table 1: Recommended grant funding for the retained funding of the VCS Grants Programme 2016-2020

Organisation	Recommended Grant Award Per Annum
Islington Pensioners Forum	£10,000
Islington Faith Forum	£25,000
Light Project Pro International	£15,000
Copenhagen Youth Project	£15,000
Total	£65,000

- 8.2 In addition, it is recommended that £26,428 per annum be allocated to establish and extend a community development project in Caledonian ward. This represents a financial commitment of £92,500 from the VCS budget between 1st October 2016 and 31st March 2020. This funding will help lever an additional £170,000 from Housing and Cripplegate to support this neighbourhood development programme.
- 8.3 Finally, as we have been unable to secure a viable proposal for work to support disabled residents across the borough, within the allocated timeframe, it is recommended the £40,000 of funding for work on disabilities continues to be retained and awarded through delegated responsibility by a senior council officer.
- 8.4 These recommendations would result in grant awards to the value of £131,428 per annum from the VCS budget; representing a financial commitment of £460,000 between 1st October 2016 and 31st March 2020.
- 8.5 That the remaining £30,000 (£8,571 per annum) be allocated for future development work to support capacity building within Islington's VCS.

9 Next Steps

- 9.1 Organisations recommended for funding will be required to sign grant agreements which will detail the six-monthly monitoring arrangements and conditions associated with the grants, and prepare annual service plans. Quarterly payments of grants will be conditional upon organisations upholding the conditions of the grant agreement.
- 9.2 Islington Council's Housing Team and VCS Team will work with Cripplegate to develop a specification and application process for the delivery of a community development scheme in the Caledonian ward.

10 Implications

10.1 Financial Implications:

Commitment to the grant allocations agreed by VCS Committee in June 2016 and a decision to award funding to the organisations recommended through the retained funding allocation (including a community development intervention in Caledonian ward) would result in a financial commitment of £2,686,000 per annum until 31st March 2020, against a budget of £2,696,000 per annum.

10.2 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 agreeing the recommended grant levels 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)

10.3 Environmental Implications

There are no environmental implications associated with the delivery of the VCS Partnership Grants Programme.

10.4 Resident Impact Assessment:

10.4.1 A primary focus of "Towards a Fairer Islington: Voluntary & Community Sector Strategy 2016 - 2020" which the Partnership Grants Programme aims to support the delivery of is addressing inequality, promoting community cohesion and supporting our most vulnerable residents.

10.4.2 A key aim of the VCS Partnership Grants Programme 2016-2020 is to provide core funding to voluntary and community sector organisations working across Islington's diverse communities. The fund seeks, not only to pay due regard to the aims of the equality duty, but to actively support a portfolio of organisations that can pro-actively address structural inequalities within the borough. The recommendations in this report are designed to address the issues identified through a Resident Impact Assessment which was undertaken to assess the impact of funding recommendations made to the Council's VCS committee in June 2016 (Appendix 2).

11 Conclusion and reasons for recommendations

11.1 The current VCS Grants Fund and Advice Fund, part of the Islington Community Fund have provided a valuable resource to the voluntary and community sector since 2011. The end of these funding arrangements provides an opportunity for the Council to think afresh about how it wants to support the sector to help deliver against Council's priorities and the Council's VCS Strategy.

11.2 The recommendations in this report reflect the priorities and services outlined in “Towards a Fairer Islington: Voluntary & Community Sector Strategy 2016 - 2020” and the Advice Review which identifies how and where VCS organisations can add real value and support the Council in taking forward its ambitions to promote a fairer Islington.

Appendices

Appendix 1 Towards a Fairer Islington VCS Strategy 2016-2020.
Appendix 2 Resident Impact Assessment

Final report clearance:

Signed by:



15th September 2016

Received by: Executive Member for Community Development

Report Author: John Muir (VCS Development Manager)

Tel 020 7527 3264
Email john.muir@islington.gov.uk