



CABINET

8th May 2019

Subject Heading:

Developing the Local Voluntary and Community Sector

Cabinet Member:

Councillor Viddy Persaud, Cabinet Member for Public Protection and Safety

SLT Lead:

Jane West, Chief Operating Officer

Report Author and contact details:

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Policy context:

The Voluntary and Community Sector strategic framework is very much about civic pride. Our vision is focused around the borough's communities, and places themes of the Council's vision.

Financial summary:

The expectation is that the strategic framework it will be developed by existing Council staff in conjunction with the voluntary sector.

Agreement in principle to the use of unspent PRG grant of £152,586.44 held in reserves. The financial implications of the proposals developed will be assessed as part of that decision making process.

Is this a Key Decision?

This is a key decision. It has an effect on two or more wards

When should this matter be reviewed?

April 2020

Reviewing OSC:

Overview and Scrutiny Board

The subject matter of this report deals with the following Council Objectives

Communities making Havering
Places making Havering
Opportunities making Havering
Connections making Havering

[x]
[x]
[x]
[x]

SUMMARY

The Voluntary and Community Sector and statutory bodies continue to face many challenges and opportunities. We can best face these by working collaboratively in a strong partnership. The Voluntary and Community Strategic Framework 2019 – 2022 builds on the work of the Council's Voluntary Sector Strategy 2015 – 2018 but seeks to take this work a stage further. The focus of this is very much on partnership and all sectors working for the common good. The full framework is attached at Appendix 1.

RECOMMENDATIONS

1. Cabinet agree the joint approach of this report in developing this framework into a full strategy with the Voluntary and Community Sector
2. Agree in principle, the use of funding held in reserve for the voluntary and community sector. Each separate spend item to be agreed by the Lead Member for Community Safety and Public Protection through the executive decision process.

REPORT DETAIL

1. The Strategic Framework

This seeks to address the issues that Havering's Voluntary and Community Sector faces. It is divided into three main tranches and sets a framework for;

- Building Communities
- Building Partnerships
- Building Resilience

The strategic framework sets an agenda for all sectors to work together to set joint actions and achieve positive outcomes. The draft has been developed jointly with Havering's Compact. The draft strategic framework is cognisant of Havering's new vision, 'Cleaner, Safer, Prouder – Together' and the initial action plan connects with the themes.

- Communities
- Places
- Connections
- Opportunities

This framework is emergent and will be developed by the Voluntary and Community Sector with the Council and other statutory agencies over the next three years.

2. The External Funding Problem

The following table highlights the problem Havering’s VCS faces. It focusses on the external finance our charities; voluntary and community groups have received from main funders such as Big Lottery, Henry Smith Foundation and City Bridge Trust from the period 1st January 2013 to 31st August 2018.

Council	Havering	Barking and Dagenham	Redbridge
Total number of grants	163	226	277
Total number of funders	12	14	22
Total recipients	124	174	184
Total Awarded	£4,492,046	£9,338,267	£11,128,280
Largest Grant	£336,692	£1,000,000	£750,000

Source: Grantnav 360

What this represents is that we are drastically below the amounts and number of grants raised by Barking and Dagenham and Redbridge.

This also needs to be looked at in the context that Redbridge and Barking and Dagenham do not do particularly well when compared to the rest of London.

The map at Appendix 2 produced by the research organisation 360 Degree Giving shows that Havering is the least well funded place in terms of external funding in London.

3. Funding the Voluntary and Community Sector

The initial problem the framework addresses is the ‘Funding Gap’.

Local Area Agreement Performance Reward Grants (PRG) were set up under the Government as a way of rewarding councils and partners for meeting centrally set targets from 2007-2010. 81 Councils received funding through this process and Havering was very successful with regard to this, in that they received £2.82 million pounds in reward grant. Of that grant, a proportion was allocated under the theme of funding voluntary sector activity. Currently £152,586.44 remains unspent. .The

ethos of this grant was very much regarding building community capacity however is 'one off' expenditure.

The governance of this grant initially sat with the Havering Strategic Partnership however when this disbanded, authority for the allocation of funds passed to the Cabinet.

To unlock the potential of the voluntary sector it is vital that the Council is able to support the sector to access external funding. Therefore, it is proposed to Cabinet, to use this reward grant to support the development of the Sector.

Research by a number of organisations has shown that the VCS have a much greater chance of gaining external funding when a Council is involved in the project. For example, the crowd funder platform, Space Hive, report that 52% of their projects meet funding targets however when a Council is involved this rises to 89%.

There, of course, would have to be governance arrangements, regarding the allocation of these funds and this could be led by Compact Steering Group in which the Lead Member for Public Protection and Safety sits as well as other statutory partners. Strong accountability arrangements would be developed and subject to reports to Overview and Scrutiny Board on a six monthly basis. The £152k (the Council's overall commitment) would still sit with the Council as the accountable body and spend is likely to be in the form of grants to the voluntary sector.

The table in appendix 3 details a number of initiatives the money could be spent on.

4. What the funds could be used for

To ensure fairness in the distribution of Performance Reward Grant the fund would only be distributed using initiatives that would give all groups the same chance to bid for funds. For example, this could include :

A Place Based Giving Scheme. The definition of a Placed Based Giving Scheme (PBGS) in London is 'a partnership of people and organisations with a range of local knowledge and skills who come together to develop a placed based giving programme. A Havering Place Based Giving Scheme would identify and collect new resources for the Borough (including business involvement), ensure better problem solving, raise awareness of local issues and get people to work towards a common goal.

London's Giving is working to support this new movement. A further three year's funding was confirmed in Spring 2017 from the City of London's Corporation's charitable funder City Bridge Trust.

Crowdfunding: The appeal of crowdfunding lies in the following features and benefits:

- Democratic – the crowd chooses which projects succeed, any project can succeed provided it can find that support. The Council of course would have overall governance on which projects it supported and therefore allowed to access the chosen crowdfunding platform.
- Transparent – backers can see where their investment is spent;
- Local – backers are typically local, and therefore motivated to see the project succeed;
- Simple – crowdfunding is almost completely delivered digitally through easy to follow platforms;
- Speedy – Funding can be secured within a matter of weeks;
- Accesses a large community of potential small investors.

Bid writing: There also maybe an opportunity to employ a professional bid writer to allow our voluntary and community sector a better chance to secure much needed funding.

A final decision about how to allocate funds would be taken by the Steering Group overseeing these finances subject to the scrutiny arrangements outlined above.,

REASONS AND OPTIONS

The Option Appraisal for this report is follows

1. Do nothing
2. Develop another idea for the benefit of the Community and Voluntary Sector. However buy in from the Voluntary and Community Sector would need to be sought.
3. Allocate the Performance Reward Grant using the mechanisms outlined above.

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no financial implications arising directly from agreeing the development of a strategy. The expectation is that it will be developed by existing Council staff in conjunction with the voluntary sector.

Whilst the report agrees in principle to the use of unspent PRG grant of 152,586.44 held in reserves, the financial implications of the proposals developed will be assessed as part of that decision making process. The aim is that the use of

these funds will attract further funding into the borough for the benefit of the community,

Legal implications and risks:

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 costs associated with the launch and development of the schemes within this framework is within the scope of this general power.

The Authority will need to ensure that the distribution of grants is fair and proportionate and complies with its duties under the Equality Act, set out in more detail below.

Human Resources implications and risks:

There are no direct human resource implications for the Council. The project management and implementation will be met by existing resources of the Council

Equalities implications and risks:

Under Section 149 of the Public Sector Equality Duty, local authorities must, in the exercise of its functions, have due regard to the need to –

- (a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Projects that are a product of this strategy will seek to advance the above. Equality Impact Assessments will be developed for projects, if and when needed.

BACKGROUND PAPERS

None