

20/03



Havering
LONDON BOROUGH

Notice of Non-key Executive Decision

Subject Heading:	In from the Cold – Participatory Budget Pilot
Cabinet Member:	Councillor Viddy Persaud, Lead Member for Community Safety and Public Protection
SLT Lead:	Jane West, Chief Operating Officer
Report Author and contact details:	Jerry Haley, jerry.haley@havering.gov.uk , x4370
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 use of £152,586.44 from unspent performance reward grant was agreed by the Cabinet in May.
Relevant OSC:	Overview and Scrutiny Board
Is this decision exempt from being called-in?	Yes. It is a non key decision by the Lead Member

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

Communities making Havering	[x]
Places making Havering	[x]
Opportunities making Havering	[x]
Connections making Havering	[x]

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To grant fund the Fore with the sum of £240k as set out in the Report.

AUTHORITY UNDER WHICH DECISION IS MADE

The Cabinet Meeting of 8 May 2019 delegated responsibility for specific decisions to the Lead Member as follows:

AGREED 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

STATEMENT OF THE REASONS FOR THE DECISION

London Borough of Havering (LBH) and The Fore are jointly developing a pilot initiative that seeks to demonstrate how funding 'cold spots' in outer London boroughs can be addressed using an innovative model. During the one-year pilot, The Fore will deliver grant-funding and pro bono expertise to at least six Havering-based charities and social enterprises, and many more organisations will benefit from strategic advice and input during the process.

The initiative will use a newly developed participatory grant-making model, ensuring that the Havering community is an integral part of the funding process. A successful pilot will pave the way for replication of the programme in other London boroughs and beyond.

Background

A study for London Funders found that central London boroughs receive a disproportionate share of funding into the Voluntary and Community Sector (VCS), leaving the outer boroughs with a small and under-resourced VCS. This lack of VCS capacity and expertise means that local organisations don't have the wherewithal to attract major funding, resulting in underdevelopment. Trusts and foundations have expressed a desire to inject funds into these cold spots but have not found a way to do so at a meaningful level.

In June 2019, London Funders and The Fore convened a round table for multiple funders to explore a collaborative, low-cost, flexible way to get grants and skills into cold spot organisations. After the meeting, LB Havering approached The Fore and with the support of Mayors Fund for London, they developed this proposal.

About Havering

LB Havering is the coldest of the cold spots, having received a total of only £198,000 in funding in 2018 from the main external funders (of those external funders / charities willing to supply data). This amounts to 78p per capita—far less even than nearby fellow cold spot

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boroughs of Barking and Dagenham (£2.88) and Redbridge (£2.57) and a fraction of the amount received by central London boroughs.

Havering has £150K of unspent funds from a local agreement Performance Reward Grant (PRG). To use these funds, Cabinet, agreed in May, that we should secure outside match funding aimed at developing the voluntary sector and increasing its size, sustainability and resilience.

About The Fore

The Fore is a seed funder for the charity sector. It brings together businesses, funders and social entrepreneurs to support and scale fresh solutions to pressing issues including knife crime, childhood obesity, social isolation, food poverty and homelessness. Its low-cost, flexible venture capital-style approach opens up access to funding and professional expertise for innovative small charities and social enterprises. **The Fore will not charge Havering for the use of its services (it is a philanthropic and not for profit organisation that is highly respected in civil society circles).**

The Project

This £240,000 pilot project will be a project managed and seeded by LBH and The Fore and will offer grants of up to £30,000 to a minimum of six¹ Havering community organisations. Grants will be awarded for up to three years. Other Social Investment Businesses have also indicated that they will seed fund the project for an additional £30k. Social Investment Business missions are to help impact-led organisations improve people's lives by providing the money and support they need directly, working with partners to support them effectively and using knowledge to inform their own work and influence others.

£30,000	The Fore	Due diligence, skills, impact management support and training for applicants and grantees
£30,000	The Fore	Grant funding from the Fore
£30,000	Social Investment Businesses	Grant Funding from Social Investment Businesses
£150,000	London Borough of Havering	Grant funding from the Compact

A key element of the project will be three (up to a maximum of five depending on demand) application preparation workshops developed by The Fore and conducted with the support of local VCS infrastructure organisations. The workshops, which take the attending organisations through a basic strategic review process, will be held in a range of places across the borough, will:

- Raise awareness of the programme and encourage local organisations to apply to The Fore for funding and support

¹ The size of each grant awarded by The Fore depends on the needs of individual organisations. Therefore the number of grants made through this pilot will depend on how much each successful applicant has applied for. Grants will be made until the full £210,000 currently available for grant-funding has been allocated. As many of the community groups, charities and social enterprises that work in Havering are currently operating on very low-turnover it is envisaged that the average grant size will be lower than The Fore's UK-wide average of £28k.

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- Increase understanding of the key elements of a good grant application such as honing an “elevator pitch” and articulating longer term strategic thinking (which will all have significant benefits for participants beyond this project).
- Embed this knowledge in the local VCS infrastructure
- Allow Havering organisations to pre-register their interest, guaranteeing them a place in the funding round.

Expected outcomes:

- Grantees:
 - At least six grants totalling £180K over two funding rounds (£90K each round) for Havering based organisations; the grants include the offer of pro bono skills and impact measurement support
 - Grantees will benefit from The Fore’s ‘kite-mark’ and will increase their chances of attracting other funding
- Havering VCS:
 - Increased skills for all application workshop participants
 - Participation by Havering community groups in The Fore’s training workshops and networking events
 - Requests submitted by Havering organisations for support (e.g. for trustees, business plans, financial modelling) through The Fore’s pro bono network

Additional likely outcomes:

- Additional funding leveraged into the project (during either the pilot or further rollout), resulting in additional grants to Havering organisations
- The project will be a template for replication in other London cold spots

Key Partners and Other Stakeholders

The principal partners are London Borough of Havering (with Havering Compact) and The Fore. Other key stakeholders are London Funders and The Mayor’s Fund for London, who will promote and otherwise support these activities. Additional funding partners keen to target funding into Havering are being sought; the Social Investment Business is the first partner who have expressed willingness to inject funds into this process.

OTHER OPTIONS CONSIDERED AND REJECTED

The Option Appraisal for this project is as follows

- a) Do Nothing – this is not an option as Havering’s voluntary sector would remain as underfunded as they are now
- b) Invest the £150k as agreed by Cabinet as a Community Chest – this is rejected because it would not allow investment from other external funders and social businesses and therefore inflate the ‘funding pot’.

PRE-DECISION CONSULTATION

There is no formal consultation than using members of the Compact Steering Group, that the Lead Member is a member of as a sounding board. Comments have been positive.

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NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Jerry Haley

Designation: Senior Community and Resilience Officer

Signature: *J. Haley*

Date: *3/2/20*

Part B - Assessment of implications and risks

These are the same as reported to and agreed by Cabinet in May

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.

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

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

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 AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

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The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

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

There are no background papers for this Executive decision

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

~~Proposal NOT agreed because~~

Details of decision maker

Signed

V. Pausand

Name:

Cabinet Portfolio held: *CABINET MEMBER FOR PUBLIC*
GMT Member title: *PROTECTION AND SAFETY*
~~Head of Service title~~
~~Other manager title:~~

Date: *4/2/20*

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on *7/2/2020*

Signed *S. J. [Signature]*

