

## THE EXECUTIVE

16 FEBRUARY 2010

### REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

<b>Title:</b> Corporate Grants and Commissioning Programme 2010/11	<b>For Decision</b>
<p><b>Summary:</b></p> <p>The report seeks approval for each of the commissions and grants under the Corporate Grants and Commissioning Programme for 2010/11 and goes on to describe the assessment process for each application for grants under £10,000 and the monitoring procedures put in place. An appendix is provided of officer recommendations for funding from the Under £10,000 grants budget, and recommendations are made for the way forward for the commissioning programme.</p> <p>The report also summarises what has been achieved so far this year by funded groups for 2009/10.</p> <p><b>Wards Affected:</b> All</p>	
<p><b>Recommendation(s)</b></p> <p>The Executive is recommended to approve the following, which comprises all commissions and grants under the Corporate Grants and Commissioning Programme for 2010/11 to a total value of £844,470:</p> <ol style="list-style-type: none"><li>1. The renewal of commissions which commenced in 2008/9, to a total value of £226,600 (as outlined in Appendix 1);</li><li>2. The extension of commissions which commenced in 2008/9 but which were due to expire in 2009/10, to a total value of £145,000 (as outlined in Appendix 2)</li><li>3. The renewal of commissions which commenced in 2009/10, to a total value of £87,600 (as outlined in Appendix 3);</li><li>4. Delegate authority to the Corporate Director of Adult and Community Services, in consultation with Legal Partners, to let the contract for a new Community Legal Advice Centre for 2010/11, estimated at a total cost to the Council of £196,500 p.a. over 3 years (as outlined in Appendix 4);</li><li>5. The award of grants of under £10,000, to total value of £70,494 (as outlined in Appendix 5);</li><li>6. The award of small grants, to a total value of £15,000 (as outlined in section 4.2);</li><li>7. The allocation of funding totalling £17,500 for talented and gifted young people, as set out in section 4.4</li><li>8. Delegate authority to the Corporate Director of Adult and Community Services to allocate funds from the remaining contingency budget of £85,776, in consultation with the Cabinet Member for Safer Neighbourhoods and Communities, in order to respond to any urgent issues or emerging priorities that may emerge during 2010/11;</li><li>9. The rejection of grant applications outlined in Appendix 7.</li></ol>	

## **Reason(s)**

Agreement of the recommendations will enable achievement of the overall objectives of the grants programme, i.e. building capacity in the third sector and making a contribution to community cohesion by bringing together all communities in the borough. In turn, this will contribute directly towards achievement of corporate and partnership objectives particularly the community priorities of "Fair and Respectful" and "Prosperous".

## **Implications**

### **Financial**

The grants and commissions being recommended for approval total £844,470, of which £70,494 is earmarked for grants under £10,000 in value, £17,500 for grants to Talented and Gifted Young People and £15,000 for 'Community Chest Grants' under £500 to be met from the Grants Budget in 2010/11.

### **Legal**

#### **Appendix 1**

The award of the contracts in Appendix 1 was approved by the Executive in December 2007 for 3 years. These commissions are to enter their third year, and approval is being sought for their renewal (as requested by the Executive in December 2007). These contracts are a mixture of Classes A, B and C as set out in the Council's contract rules and are all under the EU threshold. They were procured in 2007 in accordance with the Council's Contract Rules.

#### **Appendix 2**

The contracts in Appendix 2 were also approved by the Executive in December 2007 for two years. Officers are seeking to extend both these contracts for one year to bring them in line with the contracts in Appendix 1, so the Council can re-procure the contracts in both appendices in financial year 2011/12. As regards the one-year extension:

- The first contract, ACE, is a Class C contract as defined by the Council's contract rules and its value is below the EU thresholds. It was procured in accordance with the Council's Contract Rules.
- The second contract, the Council for Voluntary Sector, has a total value over the EU threshold and would be subject to the EU tender processes. When this contract was originally procured, the opportunity to bid for funding was advertised, and applications were reviewed against criteria including match to corporate priorities, quality and best value to the Council, in line with the Council's contract rules.

#### **Appendix 3**

The contracts in Appendix 3 are to enter their second year.

- The first contract in Appendix 3, Harmony House, has a total value over the EU threshold, though it is a Part B service which means that it is not subject to the full EU procurement process. When this contract was originally procured, the contract was advertised, and reviewed against criteria including quality and best value to the Council, in line with the Council's contract rules.
- The second contract is below the EU threshold and was tendered in accordance with the Council's Contract Rules

#### **Appendix 4**

The recommendation in respect of Appendix 4 is requesting that the Executive delegate its authority to award a proposed contract for the provision of a Community Legal Advice Centre contract to the Corporate Director for Adult and Community Services upon conclusion of the ongoing procurement of the contract.

The contract is being procured jointly by the Council and the Legal Services Commission. The estimated value of the contract over the anticipated three-year term is £2,137,784. Of that amount £1,548,284 will be provided by the Legal Services Commission and £589,500 by the Council over the three year duration of the contract.

The Legal Services Commission is leading on the procurement of the contract, with support from the Council's in-house Legal Practice. It is anticipated that following award of the contract, a tripartite Agreement will be entered into between Legal Services Commission, the Council, and the selected service provider.

The Executive has the power under Section 15 (6) of the Local Government Act 2000 and under Part C of the Council's Constitution to delegate its powers to officers, therefore there is no legal reason preventing the Executive from approving the recommendation to delegate authority to award the Community Legal Advice Centre contract to the Corporate Director for Adult and Community Services upon conclusion of the contract procurement procedure.

#### **Appendix 5 and 6**

The contracts in Appendix 5 and 6 are Class A contracts which were procured in accordance with the Council's contract rules.

#### **Appendix 7**

The contracts in Appendix 7 are for information only.

#### **Contractual**

As above

#### **Risk Management**

There will be significant risk to the viability of a range of voluntary organisations in the Borough if these allocations are not agreed. Officers will engage with relevant organisations to mitigate the effects of this if it occurs.

#### **Staffing**

There are no specific implications

#### **Customer Impact**

A full Equalities Impact Assessment of the overall working of the corporate grants programme was undertaken in February 2008 and recommendations in this report reflect the findings of that assessment. Corporate Grants support the provision of services by the voluntary and community sector that address priority needs consistent with the Council's community priorities and responsive to needs identified in the community. New and emerging groups are encouraged to establish new initiatives in this field. These grants extend services that are not mainstream and reach a customer base often beyond the normal reach of mainstream services that is diverse and reflects the rapidly changing population of the borough. Consideration of the equalities implications of these proposals has been given when preparing these recommendations to Members.

## **Safeguarding Children**

It is a requirement for all funded organisations to be fully compliant with the provisions of the Children Act 2006 (and the increased safeguards introduced in October 2009) and to have written policies in place for the protection of vulnerable children and adults.

Compliance with this requirement is routinely monitored through the grants programme.

## **Crime and Disorder**

There are no specific implications

## **Property/Assets**

There are no specific implications

## **Options appraisal**

Members may choose to agree all of the funding programme, part of the funding programme or to provide no funding at all.

Recommendations to Members for funding have been prepared as a result of a robust process of assessment. Any reductions or amendments to the funding programme would run the risk of challenge if a robust rationale for decisions could not be demonstrated. Reductions would also reduce the ability of the programme to build capacity in the third sector locally and to contribute to the community priorities.

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## **1. Background**

- 1.1 The corporate grants programme has been an established way for the Council to support diverse voluntary sector organisations and individuals from all communities in the borough to meet local and national priorities.
- 1.2 In December 2007, the Executive agreed allocations to commission voluntary sector groups for a period of three years to provide specific services. At the time, providing support with smaller amounts as grant aid and larger sums as commissions was regarded an innovative and progressive funding model. This has proved to be the case.
- 1.3 The Executive is asked to endorse commissions and grants made using this approach and as set out in full in the Appendices to this report. The process used and the proposed length of contract is consistent with government guidance (Office of the Third Sector, 2008). This will help to improve financial stability and for organisations to maximise the potential of the services they are delivering.

## 2. **The 2009/2010 Grants Programme: A Review**

2.1 Within the Corporate grants programme there are four strands:

**3 Year Commissions**: The total value of this funding pot in 2009/10 is £706,100.

There are 17 commissions to deliver services for the Council under this programme (Appendix 1).

**Grants of less than £10,000**: The total value of this funding pot in 2009/10 is £79,200. There are 11 providers recommended for funding under this programme (Appendix 2).

**Talented and Gifted Young People**: This fund is worth £12,500 in 2009/10. In total there are 40 young people funded with a range of sporting and cultural backgrounds including members of the Olympic team, musicians, singers and performing artists.

**Small Grants**: The total value in 2009/10 of this 'Community Chest' funding pot of grants up to £500 is £20,000. This part of the programme was begun in 2008-09 and is delivered in conjunction with the Neighbourhood Management Service.

2.2 The overall objectives of the grants programme are building capacity in the third sector and making a contribution to community cohesion by bringing together all communities in the borough. Generally grants are not awarded for services already funded by other parts of the Council.

### **What has been achieved by organisations funded for 2009/10?**

2.3 Each group funded either through a commission or by grant of less than £10,000 is required to provide quarterly returns showing their performance against a number of specific performance indicators agreed at the start of the financial year. For individuals, monitoring feedback is received bi-annually.

2.4 Commissioned groups agreed more than 130 different performance indicators: of these, 107 indicators have been delivered or are on target. These include capacity building for 5 emerging youth groups, organisation of forum and network meetings by the Faith Forum, Disability Network and LGBT network, and outreach visits from the Wellgate farm.

2.5 Headline examples of the services delivered as a result of this funding are:

- Well over 8,000 enquiries were dealt with
- More than 600 groups received a service of some kind from commissioned bodies ranging from engagement around a particular theme, e.g. advice on the design of services to take account of the needs of people with disabilities, to support for preparation of accounts
- 183 volunteers across the borough were introduced to new opportunities, ranging from caring for older people to supporting young parents
- 116 people received training, significantly improving their capacity to run an effective organisation or contribute to a particular agenda

- 2.6 For groups receiving grants of under £10k, of the more than 60 targets agreed, the majority are on track. Some targets have yet to be met, in particular two projects are still in development and have commenced delivery this autumn.
- 2.7 Headline examples of the services delivered under this programme include:
- 96 events or workshops were held ranging from dance workshops to volunteer training
  - 244 specific advice and/or signposting sessions were held
  - 1,366 people in the borough received a service of some kind
- 2.8 The small grants programme has supported 11 projects so far. Projects range from:
- a fun day on Thames View,
  - a laptop for Rush Green Community Association,
  - a bingo machine for a sheltered housing group,
  - a Community Garden project and a summer play project.
- This has proved a useful source of funding to develop small scale projects and activities
- 2.9 In summary therefore, the general picture that is emerging is very positive, albeit that certain objectives will need the full 12 months or more to deliver.
- 2.10 During 2009/10, action was taken to re-tender two commissions which were not being satisfactorily delivered:
- The commission to establish and develop a Forum for Black and Minority Ethnic Groups was let to RAMFEL, for the sum of £50,000, until 31/03/11.
  - The commission to Tackle Discrimination and Promote Cohesion was let to Harmony House, for the sum of £156,500 until March 2012.

### **3. Under £10,000 Grants: Assessment Process and Proposals**

- 3.1 The model agreed by Executive in July 2007 and applied in December 2007, developed following consultation and discussion with the voluntary sector, has been employed again. The application process seeks to ensure that applicants were fully mature organisations before they applied but not predominantly large organisations which might be perceived to have an additional advantage in securing grants.
- 3.2 The Council received 23 grant applications in total (4 less than in 2009/10). These were asking for a total of £198,750 - considerably more than the funding that is actually available. All organisations applying for funding were required to demonstrate that they had appropriate management policies in place including policies on safeguarding where they were intending to work with children and young people and other vulnerable groups.
- 3.3 Council officers checked each application to ensure that it had the necessary accompanying paperwork. Only those who provided the necessary paperwork were assessed further.
- 3.4 The assessment process required that each application was scored independently twice and then all scores were moderated to ensure a consistent approach. Points were allocated in each of 14 categories.

- 3.5 The final results were then reviewed by a panel of officers to arrive at the final recommendations to the Executive. One application from a youth organisation that was focussed solely on mainstream work with young people has been declined in this round but has been forwarded to the Youth Service for consideration.
- 3.6 Officers considered equalities implications as an integral part of the grant award process to ensure that proposed decisions are fair and equitable and that there would be no disproportionate adverse impact upon equality groups within the local community. The following actions will be taken to further mitigate impacts on organisations not funded:
- annual consultations with the equalities forums in relation to applications and process
  - further analysis of unsuccessful bids. Grants workshops are held as an opportunity to discuss bids before they are submitted to drive up the quality of the applications.
  - consideration of how to develop capacity building bursaries/mentoring programmes for small groups
  - consultations with the emerging women's network
- 3.7 All applications to the programme were also assessed in relation to their capacity to support delivery of the Community Priorities, the Local Area Agreement and the Community Cohesion Strategy, and to the organisation's demonstrated ability to generate funding from other sources.
- 3.8 All voluntary and community organisations recommended to receive funding through this process will be required to sign a service level agreement and to complete a quarterly return evidencing their performance against agreed outcome measures. These returns will be monitored by officers and, where funded organisations are not delivering as agreed, a range of remedies and sanctions are available to the Council up to and including the removal of grant aid.

#### **4. Small Grants**

- 4.1 The Small Grants Fund (more aptly described as a 'Community Chest') is for a maximum single grant of up to £500. This can be used to fund community initiatives at a very local level as seed funding to build community capacity, such as purchasing equipment that would enable local groups to get off the ground, or supporting the set-up of residents' associations. It is not designed to support core revenue funding.
- 4.2 This part of the programme was begun in 2008-09 and delivered in conjunction with the Neighbourhood Management Service. Groups make an application describing what they are seeking funding for (quite often with the support, for example, of a Neighbourhood Manager) accompanied by a breakdown of the costs. An officer panel then reviews each application, considering the extent to which it meets the purpose of the fund, and makes recommendations for approval or rejection accordingly in consultation with the Portfolio Holder.
- 4.3 Though this programme got off to a slow start it is anticipated that as it becomes better known demand will grow and therefore an amount of £15,000 is set aside for expenditure in 2010/11.

4.4 The small sums paid to Talented and Gifted Young People who exhibit particular talents for sport or the arts have proved to be both popular with families and important for developing those skills. Applications are assessed with the advice of the Olympics Project Officer and the Performing Arts Team. A total of £12,500 is available to support that programme for 2010/11, plus an additional £5,000 which will be allocated in support of talented individual athletes from Barking and Dagenham, as advised by the Living the Dream Trust.

## **5. Three year commissions programme**

5.1 Two commissions are due to end at the end of 2009-10 and two have been re-tendered this year. Each year upon receiving a report the Executive agrees the renewal of the commissions. The Executive is asked to endorse the final year of a number of 3-year commissions as set out in full in Appendix 2 to this report. In the context of challenging financial times, all funding amounts have been reviewed to ensure that resources are targeted where they will have most impact within the objectives of these funds.

5.2 The two commissions that would end at the end of March 2010 are:

- The Infrastructure commission, currently held by Barking and Dagenham CVS in the sum of £125,000 p.a.
- The Community Accountancy project, currently held by Accounting for Community Enterprise, hosted in HACVO in Havering in the sum of £20,000 p.a

5.3 In light of the financial challenges the Council is currently facing, it is appropriate to conduct a strategic review of all grants and commissioning under this programme. To enable the maximum potential value to be achieved from this review it is proposed to extend these two commissions for one year, pending the review, so that all commissions can be reviewed together and tendered for start of 2011/12 (with the exception of the recently tendered commission to Tackle Discrimination and Promote Cohesion which will expire in March 2012).

5.4 The strategic review would explore the following:

- the infrastructure needs of the local voluntary and community sector
- the current level of capacity building within the sector
- the levels of funding and outcomes against local and national best practice models
- the appropriateness of all of the current commissioning priorities

5.5 The review will aim to ensure that community grants and commissioning funds focus on supporting the delivery of Partnership objectives help to build an environment for a thriving Third Sector in Barking and Dagenham, and contribute to the emerging approach to strategic commissioning in the borough.

5.6 The Executive is therefore asked to approve the extension of the contracts for the CVS and Community Accountancy Service for a period of one year until 31/03/2011.

5.7 The Executive was notified on 16 December 2008 that an integrated social welfare law service would be commissioned before 2012 (see minute number 104, paragraph 1.3). This commissioning process is being led by the Legal Services Commission, though it has not been completed yet. It is envisaged that the new



law service (the Community Legal Advice Centre – “CLAC”) will begin delivering services from 1 April 2010. As a consequence, the current contracts with the Citizens Advice Bureau, Thames View Advice Centre and Catch 22 (in the Gascoigne Ward) have been extended for further six months from October 2009 – March 2010.

- 5.8 Robust measures are now in place to ensure the new services will be delivered from 1<sup>st</sup> April 2010. The extended contracts for advice services referred to in the previous paragraph will, therefore, be decommissioned at the end of March 2010.
- 5.9 The total value of the CLAC contact in partnership with the Legal Services Commission is £2,137,784 over three years, and the contribution from this Council's grants programme is estimated at £589,500 in total for three years from 2010 - 2013.

## **6. Contingency provision**

- 6.1 Recommendations include provision of £85,776 to enable the Council to respond to any urgent issues which may emerge relevant to the objectives of the programme over the next year, and to respond to any emerging priorities during that period. This is also considered prudent since at this time the tendering for the Community Legal Advice Centre (see section 5.7) is not complete. It is proposed that any decisions to spend contingency funding will be made by the Corporate Director for Adult and Community Services in consultation with the Portfolio Holder.

## **7. Links to Corporate and other Plans and Strategies**

- 7.1 The recommendations in this report support objectives in the following corporate and other plans and strategies:
- Community and Council Plans (particularly ‘Fair and Respectful’ and ‘Prosperous’ priorities)
  - Community Cohesion strategy
- 7.2 At the time of writing this report, final preparations are underway to develop a Third Sector Strategy for the borough: these proposals will support the delivery of that strategy.

## **8. Consultees**

- 8.1 The following were consulted in the preparation of this report:

Councillor L Smith - Leader

Councillor R Little - Deputy Leader

Councillor Mrs J. Alexander - Executive Member for Safer Neighbourhoods and Communities

Geoffrey Walker- Finance

Yinka Owa – Legal Partner

Rob Whiteman – Chief Executive

Anne Bristow - Corporate Director of Adult & Community Services

Bill Murphy - Corporate Director of Resources

Carl Blackburn – Director, CVS

**9. Background Papers Used in the Preparation of the Report:**

- Completed Grant Applications from Voluntary Organisations together with supporting documents.
- Quarterly monitoring returns provided by funded organisations
- Equality Impact Assessment 2008/9