

Title of Report	A Place for Everyone Hackney Voluntary and Community Sector Grants	
Key Decision No	CE S007	
For Consideration By	Cabinet	
Meeting Date	18 July 2022	
Cabinet Member	Cllr Kennedy, Cabinet Member for Health, Adult Social Care, Voluntary Sector and Culture	
Classification	Open	
Ward(s) Affected	All wards	
Key Decision & Reason	Yes	Significant in terms of its effects on communities living or working in an area comprising two or more wards
Implementation Date if Not Called In	26 July 2022	
Group Director	Mark Carroll, Chief Executive	

1. **Cabinet Member's introduction**

- 1.1. I am pleased to be introducing this report that sets out recommendations and updates in regards to funding decisions for the 2022/23 Voluntary and Community Sector (VCS) grants programme. This includes new Community Infrastructure grants, updates on project grant awards and proposals for the Advice, Specialist, and Project Grant funding streams for 2023/24.
- 1.2. A review of the grants programme was planned for 2020 following approval of the VCS Strategy by Cabinet in 2019. This plan was overtaken by the need to prioritise a response to the pandemic, but we were able to use learning from the pandemic to inform the review. This report outlines how we did this, progress and next steps following on from the report to Cabinet in January 2022.
- 1.3. Learning from the development of the VCS Strategy and the experience of the pandemic has helped the Council to think more strategically about our investment in the VCS and the need to work with the sector in a more insightful and supportive way to identify creative and long term solutions for organisations and the residents they serve. These experiences and what we

know about how we need to shape public services going forward has informed our approach to the review of the grants programme.

- 1.4. As a Council we need to extend the collaboration we have undertaken with the sector during the pandemic and ensure that we continue to learn and adapt with them to meet the needs of residents. We also need to carry on developing new approaches and ways of working together as a system that transform residents' experience of support, particularly for those living in poverty and/ or with complex needs.
- 1.5. The development of Community Infrastructure grants, which were launched in February this year, is one of the ways in which we are now applying and investing in our learning. This activity is key to a preventative agenda that seeks to build upon the assets within communities and the expertise and reach that some organisations have in their communities, along with the person-centred ways of working they adopt to meet the presenting need and work with complexity.
- 1.6. Funding has also been allocated from the programme for project-based activity. In addition to funding from the VCS grants programme, this year the application and assessment process determined allocations from a budget that in previous years had been deployed for one-off commissioning of youth activity by the Children and Families Service. This has meant that fifty organisations have received a total of £526,413 for activities designed and planned by VCS organisations.
- 1.7. This financial year the Council has increased the envelope of grant funding for the advice service partnership to £1m as set out in the report to Cabinet in January. For stability, the existing grants were extended in 2022/23 but a new open process will be undertaken this year to invite organisations to apply to participate in the borough's Advice partnership from 2023 onwards.

2. Group Director's introduction

- 2.1. This Council has a strong financial track record but 11 years of Government cuts and the cost of keeping people safe during the pandemic much of which has fallen to the Council, has taken their toll on public services. More and more people are turning to councils for support, with less and less money available to help them. In Hackney, our Government grant has shrunk from £310m in 2010 to £170m - a cut of 45%. Per head of population, we have seen the biggest funding cut of any London borough at £529.
- 2.2. Despite this, the Council has again protected the budget for the Voluntary and Community Sector grants programme, although this is becoming even more difficult as outlined in this paper. However, our Council grants are only one of the ways in which the Council continues to provide financial support. The annual subsidy to voluntary sector organisations occupying Council buildings

is estimated to be £400,000 based on the difference between market rent and rent payable. This does not include some buildings where long term plans are being established, playgrounds and several short term VCS lettings. A total of £566,271 discretionary rate relief was awarded in 2019/20 with the Council contributing 48% of the rate relief under the rules of the London Business Rates pool. This is in addition to significant levels of commissioning of the VCS to deliver services, all of which add up to approximately £20m of investment.

- 2.3 The grants programme continues to enable activities and services defined and designed by the VCS, in line with borough priorities and which complement our own statutory service delivery. This is against a backdrop of great financial constraint and uncertainty. The sector is itself currently operating in a highly constrained financial environment. This is likely to become more difficult, due to the cost of living crisis, which is putting more of a strain on budgets. In the light of the financial challenges outlined in this paper, all areas of the Council's budgets nevertheless need to remain under review.
- 2.4 In January 2022 officers set out to Cabinet the intention to introduce a funding stream for organisations to apply for core funding. The aim of this funding is to enable organisations to continue to develop community support and social networks but also contribute to the development of 'healthy systems' which is seen as increasingly important to the transformation of public services. The application process was undertaken between February and June 2022 and this report outlines the recommendations for awards of grants from this scheme.
- 2.5 We have continued funding project-based activity recognising the value that these grants add, often reaching communities furthest from our services and complementing Council and commissioned activity. Fifty grants were allocated in May 2022, with a further three rounds of Community Chest grants taking place this year for small organisations and grassroots groups. The project grants provide access to resources for some of our smaller and grassroots organisations acknowledging their vulnerability and the need to protect and grow them. The ongoing review of project-based grants will also explore if these grants are the best way to invest in these organisations to secure their future.
- 2.6 The grant review is helping us to consider how we should invest in the sector in the future to support the transformation of public services so that as a system of support we are able to continue to meet demand for services, despite the budget pressures we face. We have and will continue to identify opportunities for us to change the way we use resources to support the VCS strategy and a stronger sector in the future.
- 2.7 Changes in the way that we work with and fund Advice Services were developed over three years and new grants were allocated in 2019 following

an open process. An interim review was undertaken in 2021 and no changes were proposed at that stage to the organisations funded, as these could have negatively impacted organisations that had been stretched by the impact of the pandemic and the rising demands on their services.

- 2.8 In view of this, in January 2022, Cabinet approved extending the current advice grants for a further year in 2022/23. Cabinet also agreed to an increase to the proportion of funding for advice services to £1 million from the grants budget. Prior to the pandemic, our analysis and comparison with similar boroughs highlighted that funding for advice services should be increased given the levels of need in Hackney. The impact of the pandemic on residents has stretched their resources even further and as a critical service for preventing demand on statutory services we need to ensure that they can provide timely interventions and advice. Proposals for a new round of open grants are set out in this report and recommendations in regards to organisations to be funded will be brought to Cabinet in January 2023.
- 2.9 The last review of the Specialist Grants was concluded in autumn 2017. As with advice grants, there were no changes made to the Specialist grant organisations for funding in 2022/23. As with our advice partners we needed to provide a period of stability following the pandemic. However, we intend to change the way we monitor and measure in line with our new approach and have begun a review of this funding. We would expect there to be some changes to reflect what we now understand about the contributions needed and these will also be brought to Cabinet in January 2023.
- 2.10 In January 2022 an internal audit of the Council's grant programme was undertaken as part of the 2021/22 Internal Audit Annual Plan, as approved by the Audit Sub-Committee on 21 April 2021. The Plan was developed following an assessment of the key risks facing the Council. The audit found that there is a significant level of assurance across all three areas of the grantmaking process and did not contain any recommendations that need to be brought to this Cabinet meeting for consideration.

3. Recommendations

Cabinet is recommended to :-

- 3.1 Approve the allocation of Community Infrastructure Grant £289,500 across the pool of organisations outlined in Appendix 1.**
- 3.2 Delegate powers to the Head of Policy and Strategic Delivery to review and award the Community Infrastructure Grant in consultation with the Cabinet Portfolio Lead, the allocation of £110,500 to support community infrastructure development work including the management of any gaps in provision either geographically or by community. The specific awards will be confirmed through collaboration with the successful providers, to shape the final design including delivery configuration and resource allocation.**

- 3.3 Agree in principle, approval for a second and third year of funding for Community Infrastructure organisations for 2023/24 and 2024/25, as set out in Appendix 1 and subject to future budget availability. These would be subject to annual review in consultation with the Cabinet Portfolio Lead.**
- 3.4 Delegate powers to the Head of Policy and Strategic Delivery to review and award the Community Chest Grants for 2022/23 in consultation with the Cabinet Portfolio Lead.**
- 3.5 Note the awards of project-based grants to organisations, including those funded through a budget that in previous years has been deployed for one-off commissioning of youth activity by the Children and Families Service in Appendix 2. Approval of these grants was delegated by Cabinet to the Head of Policy and Strategic Delivery.**
- 3.6 Note that the review of project based and Specialist grants is still being progressed and in view of this agree in principle to continued funding for 2023/24.**
- 3.7 To agree to the launch of an open process of applications for advice grants in August 2022. Recommendations on awards for three years, subject to future budget availability, will be brought back to Cabinet in January 2023.**
- 3.8 To agree to delegate powers to the Head of Policy and Strategic Delivery in consultation with the Cabinet Portfolio Lead, to reinvest in the advice system £35K previously awarded to HCVS over four years in order to develop that organisation's knowledge and skills in systems thinking.**
- 4. Reason(s) for decision**
 - 4.1. The recommendation to launch a VCS grants programme was agreed by Cabinet on 24th January 2022 based on the budget for 2022/23. Cabinet is asked to agree the recommended awards for the Community Infrastructure Grants, the launch of an open application process for the advice grant programme and note progress on the review of Specialist and open, project-based grants. This is a key decision of the Council as it affects two or more wards and is related to Council spend.
 - 4.1.2 A grants review was planned for 2020, and the intention was to build on continuous learning about the best ways to make grant investments in a complex environment, learning in particular from earlier work with advice providers. The direction of travel for this grant review had already been summarised in the Council's Voluntary and Community Sector Strategy 2019. The formal review was delayed following the onset of the pandemic because of the need to focus on grant making that responded to the immediate crisis. However the Council was able to put the learning into practice in the way we

funded organisations during this period, when we had to accelerate plans to change the way we understood grant funding.

4.1.3 From this learning we know that there are much more effective and impactful ways to invest in the voluntary and community sector than the traditional approaches to grant making and to commissioning. This traditional approach is transactional and arms-length and assumes complex challenges can be addressed through short term, separate projects and measurable outputs.

4.1.4 The future of the grants programme is being shaped by the Council's experience of working with the sector during the pandemic, the knowledge we have gained from working with our advice providers, and the change and transformation we are trying to achieve as a Council. We do not intend to change the objectives of the grant programme and the two main aims are still relevant, if not more so given the refresh of the Council's Corporate Plan:

- To promote social inclusion, encourage independence and develop personal resilience
- To build positive relations between different groups and communities that will maintain the high levels of community cohesion in Hackney

4.1.5 The next phase of the review of the grants programme will be progressed over the next six months focussing on the project-based grants and Specialist grants. This will include exploring further opportunities to build in equality focussed and anti-racist approaches to the delivery of the investment e.g. in the application process.

4.2 Community Infrastructure Grants

4.2.1 Although we have stepped down our response to the pandemic our residents and their families continue to face instability in the context of the cost of living crisis, the continued rising inequalities, complexity of need and limited access to preventive help due to scarce resources. The Community Infrastructure grants will enable the continued collaboration and facilitation of relationships between partners across the system in Hackney which continues to be vital in helping to establish connections between services to support residents and their families to access information and support in communities across the borough.

4.2.2 We have undertaken an application and assessment process to identify awards from the grants budget to invest in support for both geographical, place-based activity as well as community focused e.g. black-led community infrastructure. This will ensure that the Council can protect a group of organisations that can be able players in the system and can help us meet our priorities for Hackney.

4.2.3 The assessment process had two stages and involved officers from the Policy and Strategic Delivery Team as well as colleagues from Public Health,

Children and Families and Education and Adult Social Care. An initial Expression of Interest (EOI) enabled organisations to articulate if and how they worked with residents to support them in ways that went beyond their core service and mission. The assessment focused on key qualities and characteristics of organisations such as reach and expertise working with marginalised communities and a track record of collaboration and partnership, reflecting what is needed to be a participant in a healthy system. Evidence was presented that showed how irrespective of the organisations' focus and mission they understood the importance of working with the whole person and their families in order to provide the support that was needed.

- 4.2.4 From the 53 organisations that submitted an EOI, 34 organisations were invited to progress to the second stage by submitting an application form. These were assessed individually and then considered by a panel that included the assessors. Twenty organisations have been identified to receive a Community Infrastructure grant.
- 4.2.5 Although £400,000 had been identified for the investment in Community Infrastructure Grants, only £289,500 has been recommended for awards at this stage as £110,500 has been identified to ensure that gaps either by geography or community can be addressed and development support can be put in place.
- 4.2.6 The application and assessment process has provided a pool of organisations that the Council can be confident will work collaboratively with the Council and other partners so that we continue to learn and adapt with them to meet the needs of residents. Working with them will enable us to continue to develop new approaches and ways of working together as a system that transforms the experience of support for people living in poverty and/ or with complex needs.
- 4.2.7 Rather than allocate grants just according to the merits of each application, the Council needs to bring a collaborative approach to decisions in discussion with the organisations. This will ensure that funding is allocated which responds to the individual circumstances and aspirations of the organisation and their approach to delivery e.g. organisational capacity, their existing networks and partnerships, training needs etc. The Council will be working with funded organisations to shape the final design including delivery configuration. This means that there will be a period of negotiation with successful organisations on the breadth and type of activity that they will be undertaking to work with the Council and other partners to improve outcomes for people living in poverty and/or with complex needs.
- 4.2.8 We want to understand how our funding is enabling Community Infrastructure organisations to learn, adapt and grow so that learning becomes part of the core way that we work together. We have learnt that spending time with organisations helps us to gain a more rounded view of what their services do, what their value is and what good looks like. By adopting this 'shared'

approach to evaluation we are also changing the power dynamics that currently inhibit effective partnership working. This will take time, beyond the time frames of traditional grant making and we are therefore recommending that these grants be awarded initially for three years with annual reviews built in. Although the ecosystem of VCS support will not be fully protected by this investment it will help to provide a range of organisations that can work with and protect some of our most vulnerable residents and build an evidence base to attract further statutory and external funding.

4.2.9 As this approach to funding is still emergent, it will also enable funded organisations to help shape the funding approach as collaborators in our own learning. Colleagues from across the Council and not just officers from Policy and Strategic Delivery have already expressed an interest to be actively engaged with these organisations. Two new temporary roles funded through the investment in the Poverty Reduction Framework will support the coordination of the relationships between the funded organisations and statutory partners. Some of the initial key areas of evaluation for the grants will include understanding how our funding has;

- Supported organisations to find out what they need to measure in order to reflect on their practice and improve outcomes for residents through their activity and across the system.
- Provided the space to explore more systemic collaborative ways of working and what challenges/benefits does this bring.
- Helped the sharing of learning and influencing practice.

4.3 Project Grants

4.3.1 Applications for project grants opened on 07 February 2022 and closed on 25 April 2022. A total of 130 eligible applications across Project Grants, Children and Young People's Grants, and Community Chest Grants were received. Applicants were supported via information sessions delivered virtually by the Grants Team as well as via HCVS and were also able to access free application support through HCVS and ELBA. All grants were up to 12 months in duration. Community Chest grants were awarded up to the value of £10,000, Project Grants up to the value of £20,000 and Children & Young People's grants up to the value of £10,000.

4.3.2 Applications were screened for eligibility and due diligence checks were undertaken by the Grants Team. They were then assessed by pairs/small groups of assessors comprised of LB Hackney officers and volunteers from the VCS. Assessments were all conducted via an online portal on our grants management system, Blackbaud Grant Making. Assessor scores, comments, and recommendations were moderated via an initial meeting with a representative of the Grants Team, before being discussed at a Grants Panel which included all Assessors. Three separate panels were held for the three grant schemes.

- 4.3.3 A total of 50 grants were awarded. 28 for the Children & Young People's Grant, 19 for the Project Grants, and 3 Community Chest grants. The recommendations were signed off by the Head of Policy & Strategic Delivery in the DPR outlined in Appendix 2. The Equalities Impact Assessment for the programme can be found in Appendix 3.

4.4 Children & Young People's Grants

- 4.4.1 This year the Grants Team and Young Hackney ran a collaborative Children and Young People's Grant as part of the Project Grants funding, as outlined in 4.3. The application process was the same as the Project Grants, but with specific aims and priorities set out by Young Hackney colleagues on certain Youth Work principles. The Assessment process was also the same as for Project Grants apart from Assessors and panelists were a combination of Young Hackney Staff and Young People recruited from a pool of Young People who have been engaged with Hackney's Youth Parliament. Young People were given a payment of £100 in vouchers, provided by Young Hackney, for their time and expertise.

- 4.4.2 As mentioned in 4.3.3, 28 Children and Young People's Grants were awarded as outlined in Appendix 2.

4.5 Advice Grants

- 4.5.1 Changes in the way that we work with and fund social welfare advice were developed over three years and new grants were allocated in 2019 following an open process. An interim evaluation was undertaken in 2021 with the recommendation not to run a new grant programme but to continue working with existing organisations during 2022/23. Any change would have a negative impact, especially given the rising demands on services during the transition out of the pandemic and stability was needed for all funded organisations. Cabinet is now being asked to agree to the launch of a new grants scheme for advice in August 2022 to put in place awards for three years from 2023 onwards.
- 4.5.2 Currently the Council grant funds 17 advice partners. Cabinet agreed in January 2022 to increase the proportion of funding for advice services from the grants budget from £780,328 to £1,000,326 given the levels of need in Hackney. Allocations to existing advice partners were calculated pro-rata based on the amount of funding currently received. The decision to increase funding did not include the annual contribution from Public Health (£120K). This contribution specifically funds delivery of advice from health settings.
- 4.5.3 Prior to the pandemic, Council officers and colleagues from HCVS worked intensively with advice partners to support an ongoing learning approach where measures are used to understand what is or isn't working and then adapting to respond. However, during the pandemic it was no longer possible

for the Council to sustain the more practical support for partners to learn and adapt. Grant monitoring over the period of the coronavirus restrictions shifted to a more relational and supportive approach whilst continuing to look at adaptations of delivery and creative solutions to advice provision. The evaluation has provided an opportunity to reflect on what has been achieved so far and understand the next steps for the partnership.

- 4.5.4 Our work with our advice partners over the last four years has helped us to understand that there are much more effective and impactful ways to invest in the VCS than the traditional approaches to grant making and to commissioning and this learning has been applied in our approach to Community Infrastructure grants. We have also learnt from our own transformation work and our experience of the pandemic that we need to continue to work relationally with our advice partners. The focus on person-centred approaches, improved relationships and networks across systems, continuous learning and adaptation remain key features of the Advice Grant Framework and will help to guide advice partners in their contribution to the Poverty Reduction Framework and their role within the Community Partnerships Network.
- 4.5.5 The move away from traditional approaches to grant funding effective communication of the Advice Grants Framework to prospective applicants. As with the other grant programme funding streams, the Council will provide briefings that will be available on our website and host information workshops. The grants will also be promoted through the Council and partner organisations' communication channels.
- 4.5.6 In 2019 an annual award of £35K from the grant budget was used to ensure that the knowledge and expertise developed during the review of advice services could sit within and be embedded in the VCS. The grant, made available for an infrastructure organisation to develop their knowledge and skills in system thinking, was awarded to HCVS. This was not only to ensure ongoing support for the advice providers but potentially longer term other parts of the sector, in developing people-centred services that build community resilience. After four years of investment in this learning it is now proposed that this funding be reinvested elsewhere in the advice system in 2023/24.

4.6 Specialist Grants

- 4.6.1 A full review of Specialist Grants was completed in 2017 which identified where investment should be focused in the future. Consideration was given to the impact of these grants through a set of high level questions and assessment against the Community Strategy and the emerging Voluntary and Community Sector Strategy. It is intended to continue with current funding arrangements totalling £747,333 for the Specialist Grant organisations in 2022/23 as approved by Cabinet in January 2022. A review of the Specialist

Grants is underway and recommendations will be brought to Cabinet in January 2023.

5. Details of alternative options considered and rejected

- 5.1 Given the budgetary pressures facing the Council the future of the VCS Grants Programme is regularly reviewed. However consideration has been given to the reductions in public spending through welfare cuts and reduced grants to local government which can lead to increased demands upon the VCS. The unique position of the VCS to respond to the needs of the most vulnerable and disadvantaged residents as well as its ability to deliver added value e.g. through inward investment and volunteering necessitates a grant programme that ensures that the sector can continue to thrive and build resilience to mitigate the impacts of the pandemic and in the face of further budget reductions.
- 5.2 Whilst commissioning helps to support the VCS, the investment through the Council's grants programme helps to maintain a thriving third sector and a wide range of suppliers. Funding the sector through grants ensures that it can identify new needs and new ideas and innovate and test new solutions. It enables added value activity that complements direct or procured service delivery and can fund open universal activity. The sector is also able to use grant funding to respond to specific challenges in regards to community cohesion by providing grassroots community based activity that builds cohesion and community action and the support that is needed by our most disadvantaged and vulnerable residents.

6. Background

Policy Context

- 6.1. The VCS is well placed in its ability to reach and work with some of the most disadvantaged and vulnerable residents of the borough and is therefore often best placed to provide a service or to ensure that other services are accessed. Funding for the sector is best deployed to fully realise the sector's potential and play to these strengths. The priorities of the grants programme supports the wider agenda of the Council and our partners with a focus upon intervention and prevention and building resilience within communities.

Equality impact assessment

- 6.2.1 The Council's support for the VCS is a major expression of Hackney's commitment to making social inclusion and community cohesion a reality. This is demonstrated by the wide diversity of organisations recommended for funding and the requirement for each application to demonstrate its contribution to meeting at least one of the grant priorities and equality aims.

- 6.2.2 In recognition of the potential barriers facing applicants a number of interventions are put in place to ensure that the grant investment is planned and delivered to positively benefit as wide a range of equality groups as possible and to mitigate negative impacts. The programme is advertised widely across the VCS in Hackney using the VCS networks, the Council's website and social media. Workshops and one to one surgeries on the applications process are also run by Hackney CVS and the Council undertakes online information sessions which are videoed and available to view on the Council's website.
- 6.2.3 The increase in funding for advice services will have a positive impact on residents who are financially disadvantaged and experiencing poverty which is often the result of inequalities such as structural racism. However the overall envelope of the grants programme will remain the same which will see a reduction in the open elements of the grants programme.
- 6.2.4 The Community Infrastructure organisation grants will also benefit residents experiencing multiple disadvantage as the funding aims to ensure that local community organisations are more responsive to their needs. In particular the new grants recognise the role of black-led organisations and those with particular expertise and cultural competency and which have reach within communities that are furthest from statutory services. Ten out of the twenty organisations who have been selected for funding are led by people from black, asian and minority ethnic backgrounds. The majority of Community Infrastructure grants are open to beneficiaries of all backgrounds, with 25% of organisations specifically supporting black beneficiaries.
- 6.2.5 The increase in funding for advice services and the allocation of budget for community infrastructure means that less funding has been directed to the project-based grants. This could potentially impact upon those equality groups that benefit from initiatives and projects which have been identified as needed by the sector. These often reach communities furthest from our services or below access thresholds and complement Council and commissioned activity. Considerations outlined in the paragraph above aim to mitigate against this impact.
- 6.2.6 Across the Main and Small Grants since 2016 (excluding crisis funding during the pandemic) the main beneficiaries have been young people under 25 as both recipients of services and as volunteers. Some mitigation for this is presented through the proposal to grant fund organisations using Young Hackney's Lot 2 budget. The Orthodox Jewish Community submits a significant proportion of applications for project-based grants, the majority of which are for children and young people. The Lot 2 funding that will be used to allocate grants of up to £10,000 will help to ensure that this part of the community continues to benefit from support through the grants programme.

- 6.2.7 As this is an interim year and the review of grants is ongoing the equalities impact assessment is being updated as the review of grants is progressed (appendix 3).

Sustainability and climate change

- 6.3.1 The Council will continue to administer the programme electronically through the use of the BBGM grant software, which eliminates the need for paper applications, thus contributing to the Council's commitment to reducing carbon.
- 6.3.2 The VCS in Hackney plays an important role in the local economy, supporting both individuals and groups and makes a significant contribution to the community and civil life. Continuing to nurture and support the sector is fundamental to achieving sustainable communities in the borough

Consultations

- 6.4.1 Extensive engagement was undertaken to inform the VCS Strategy 2019 including a day-long workshop attended by a range of local VCS organisations followed by four open invites focus groups. A series of discussion papers were then developed based on the findings and a series of five further workshops including one focussed upon Council investment in the sector were used to test and develop the papers. The findings were then used to develop the discussion papers into key themes within the strategy.
- 6.4.2 The strategy sets out the shift needed in the way that we invest in the sector that encourages more collaboration, shared learning and enables the sector to be more person centred and responsive to residents. It recognises that the current way that the grant programme funds organisations pushes them into narrower more transactional relationships, creates siloed working and is not funding an approach that fully enables a more preventative approach within communities.
- 6.4.3 The changes that have been proposed by introducing community infrastructure grants also acknowledge the unique ways in which the sector works which was a key message in the consultation and has continued to be a central theme in feedback from the sector. The new funding stream will support organisations whose role extends beyond the service that they deliver and reflect the strategy's focus upon a different approach to investing that funds purpose and longer term outcomes.
- 6.4.4 Whilst all of the above was set out in the VCS Strategy the feedback from VCS organisations on their experience of Covid and working with the Council suggests that the way that they were funded enabled them to be more effective. By changing the relationships and the ways in which we managed and monitored grants, organisations felt empowered to use their expertise and

reach within their communities along with the person-centred ways of working that they could adapt to meet the presenting needs of residents.

- 6.4.5 Through the process of running a new Project Grants programme between February - May 2022 the Grants Team was able to obtain direct feedback from applicants on changes implemented to the programme this year. In addition to this, Renaisi undertook further consultation as part of their reviews of the Project Grants and Specialist Grants.

Risk assessment

- 6.5.1 A key risk related to the programme lies with the process of recommending or not recommending grants. The assessment of grants is an open competition between local VCS organisations for a set amount of funding. The risk is that recipients of grant funding may no longer receive funding and guidance on who it is important for the funding to reach and support services that local people depend on may be lost.
- 6.5.2 In seeking to mitigate these risks officers will continue to work with infrastructure organisations HCVS and Interlink to ensure that applicants are encouraged and supported to access funding from other sources and that they have a good understanding of the Council's grants programme. The annual launch of the programme allows VCS organisations that may not currently have a funding relationship with the Council to learn about the programme and to be considered through an application for grant funding.
- 6.5.3 Post allocation, an assessment process identifies and rates key areas of risk relating to the delivery of projects by the successful organisations. This ensures the targeting of the Council's management and monitoring arrangements to mitigate any financial or reputational risks to the Council.

7. Comments of the Group Director of Finance and Corporate Resources.

- 7.1. The recommendations set out in this report align with the decisions of Cabinet in January 2022 relating to the Hackney Voluntary and Community Sector Grants programme for 2022/3.
- 7.2. There is budget available to fund the recommended grant awards to voluntary sector organisations across the borough.
- 7.3. In respect of the recommendation to agree in principle two further years of funding for Community Infrastructure organisations totalling £400K, as set out in Appendix 1, this will be subject to sufficient budget being available which will be confirmed as part of the budget setting process for those years.

8. VAT implications on land and property transactions


Not applicable

9. Comments of the Director of Legal, Democratic and Electoral Services

- 9.1. The recommendations in this Report concern the Council's Voluntary and Community Sector Grants Programme. Agreeing the award of grant aid from the voluntary sector grants programme is reserved to the Mayor and Cabinet under the Mayor's Scheme of Delegation (January 2017) so the awards in this Report will need to be approved by Cabinet.
- 9.2. The award of a grant is a discretionary function. The grant programmes in this Report are for Community Infrastructure Grants, Community Chest Grants, Advice Grants, Project Based Grants and Specialist Grants.
- 9.3. Paragraph 2.2 i) of the Cabinet Procedure Rules states that "if the Elected Mayor delegates functions to the Cabinet, unless they direct otherwise, then the Cabinet may delegate further toan officer.....". Therefore, subject to the approval of Cabinet, the Head of Policy and Strategic Delivery is permitted to award the Grants in paragraphs 3.3 and 3.5 of this Report.

Appendices

Appendix 1:  Community Infrastructure Grants - Summary of Recommendations

Appendix 2:  Delegated Powers Report VCS Grants May 2022

Appendix 3:  VCS Grants EIA May 2022

Background documents

None

Report Author	Name: Claire Witney Title: Strategic Lead Email: claire.witney@hackney.gov.uk Tel: 0208 356 3630
Comments for the Group Director of Finance and Corporate Resources prepared by	Name: Deirdre Worrell Title: Director of Climate Homes and Economy and Chief Executive's Finance Email: deirdre.worrell@hackney.gov.uk Tel 0208 356 7350
Comments for the Director of Legal, Democratic and Electoral Services prepared by	Name: Patrick Rodger Title: Senior Lawyer Email: Patrick.Rodger@hackney.gov.uk Tel: 020 8356 6187