

<b>Title of Report</b>	<b>Hackney a Place for Everyone – Voluntary and Community Sector Grants Programme 2023/24</b>		
<b>Key Decision No</b>	<b>CED S167</b>		
<b>For Consideration By</b>	Cabinet		
<b>Meeting Date</b>	23 January 2023		
<b>Cabinet Member</b>	Cllr Kennedy, Cabinet Member for Health, Adult Social Care, Voluntary Sector and Culture		
<b>Classification</b>	Open		
<b>Ward(s) Affected</b>	All wards		
<b>Key Decision &amp; Reason</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%; text-align: center; vertical-align: middle;">Yes</td> <td style="padding: 5px;">Significant in terms of its effects on communities living or working in an area comprising two or more wards</td> </tr> </table>	Yes	Significant in terms of its effects on communities living or working in an area comprising two or more wards
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<b>Implementation Date if Not Called In</b>	31 January 2023		
<b>Group Director</b>	Mark Carroll, Chief Executive		

## 1. Cabinet Member's introduction

- 1.1. I am very pleased to be introducing this report that sets out how we intend to invest in the Voluntary and Community Sector (VCS) in 2023/24 and our plans to continue to reflect and learn from the past few years.
- 1.2. Despite the unprecedented budget pressures that the Council is now facing in 2023/24 we will again invest a total of just under £2.5m in the VCS through the Council's dedicated VCS Grants Programme. To maximise the impact of investment from the VCS Grants Programme £120,000 of Public Health funding will complement the advice system grants, providing services in GP surgeries. Additionally, £200,000 of the previously commissioned Children and Young People's activity based grants will be available alongside the project based grants from the VCS Grants Programme, along with £280,000 (over 2 years) from Public Health for a Physical Activity grants scheme.

- 1.3. Work on reviewing how we invest in the VCS has continued. Building on our learning from the pandemic we introduced Community Infrastructure Grants in the 2022/23 programme. These recognise the unique strengths of the VCS to work in partnership with each other and statutory agencies to improve the health and wellbeing of residents. The grants have enabled organisations to continue to work holistically with residents and to enable new ways of working with the Council, collaborating with them to learn how we can better support residents who are furthest from our services and/or with complex needs.
- 1.4. Significantly, our officers are learning about the importance of trust and how to fully collaborate and co-produce with VCS partners. Working relationally is leading to increased levels of good will, and reciprocal trust enabling better outcomes for residents, which is proving critical to the Council's response to the Cost of Living Crisis (CoLC) as we renew the focus on those residents experiencing the material impacts of poverty.
- 1.5. This activity and what we know about how we need to shape public services continues to inform our approach to the review of the grants programme. As a Council we need to continue and extend the collaboration we have undertaken with the sector during the pandemic to ensure that we carry on learning and adapting with them to meet the needs of residents during the CoLC. We are developing new approaches and ways of working together as a system that transform the experience of support for people living in poverty and/ or with complex needs. We will therefore be increasing the number of Community Infrastructure organisations we will be working with from 2023/24, alongside continuing work with the current grantees who are completing their first year of a three-year grant.
- 1.6. We know that the cost of living crisis is putting further pressures on the resources and finances of our Voluntary and Community Sector partners. This will have both direct and indirect consequences for the Council and other statutory agencies as support for our residents is reduced.
- 1.7. In view of this we are adding a 10% uplift to the grants to our Specialist Grant organisations that provide second tier infrastructure support and animate our heritage and amenity sites. This uplift will also be applied to existing and new Community Infrastructure organisations. In addition to this, in October 2022 Cabinet gave officers authority to assess organisations at risk of closure against a set of agreed principles that could lead to some limited financial intervention from the grants programme budget. Further funding will be set aside from the programme in 2023/24 to continue to manage this risk.
- 1.8. In 2022/23 we increased the proportion of funding from the Grants Programme that we invest in the advice system in Hackney to over £1m of the £2.5m of available budget, in recognition of the demand now being placed on our partners. We have also concluded an open grants round for funding of the advice system for three years from 2023/24. This has ensured that we

continue to invest in a system that responds to the needs of the communities in Hackney and which will build on the person-centred and collaborative work of the Community Partnerships Network.

- 1.9. Although we have protected the grants programme from any reductions throughout the last twelve years of austerity we know that the local VCS has experienced greater competition for resources available from other funders. As a Council we are having to find significant savings over the next two years despite having made over £140m savings over the last 12 years. However we are committed to working across the system to identify how we can work together to deliver poverty interventions and preventative work that builds our communities and protects residents, and the review is helping us to identify the role of the grants programme within the wider reprioritisation of investment that is needed.

## **2. Group Director's introduction**

- 2.1 This Council has a strong financial track record but over 12 years of austerity and the cost of keeping people safe during the pandemic much of which fell 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, especially now that we are in a cost of living crisis.
- 2.2 Despite this the Council has again protected the budget for the Voluntary and Community Sector grants programme. 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 £533,796 discretionary rate relief was awarded in respect of 2021/22 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 sector is itself currently operating in a highly constrained financial environment which is likely to become more difficult as a result of CoLC. However in light of the financial challenges outlined all areas of the Council's budgets remain under review. 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.
- 2.4 This report includes proposals to align the Council's grant programme to support the response to the CoLC whilst extending the funding stream for organisations that are part of the local community infrastructure, to apply for core funding. This enables organisations to continue to develop community

support and social networks which are proving so important to residents during the CoLC but also contribute to the development of 'healthy systems' which is seen as increasingly important to the transformation of public services. 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.

- 2.6 We intend to continue funding project based activity recognising the value that these grants add, often reaching communities furthest from our services and complementing Council and commissioned activity. However in order to align these more fully to the CoLC there will be a greater emphasis on funding organisations whose beneficiaries are particularly impacted by the CoLC, ensuring that funding is reaching those organisations that work with residents experiencing the material impacts of poverty.
- 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, requiring advice partners to complete a self-evaluation to understand how advice partners were progressing to achieving the objectives of the advice framework.
- 2.8 Understanding the pressures advice partners were experiencing to meet increasing demands for support as a result of the pandemic, the Council decided to increase the proportion of the grants budget dedicated to funding social welfare advice grants to over £1m. In July 2022 the Council's Cabinet agreed to open applications for a new round of three year advice grants. These new grants are due to commence in April 2023 with funding from the grant programme remaining at its current level of just over £1M with an additional £120,000 from Public Health to reflect the demand that has remained since the pandemic as well as that created by the CoLC. The partnership amongst advice services is progressing well as are the relationships with Council Officers and the wider Community Partnership Network. This has been a consideration in the assessment of the grants along with other contextual analysis of the need in the community.

### **3. Recommendations**

**Cabinet is recommended to :-**

- 3.1 Agree the timetable for the Hackney Voluntary and Community Sector Open Grants Programme for 2023/24.**
- 3.2 Agree that the following funding streams can be launched through the programme:**

- **Community Infrastructure core grants of up to £19,800 per year for two years with allocation of these grants subject to Cabinet approval in July 2023**
  - **Project Grants (including the Public Health Physical Activity Grants) for up to £20,000 for one or two years from April 2023**
  - **Community Chest grants for up to £1,000 for one year for short term projects or one-off activities from April 2023 (with four grant rounds spread throughout the year)**
  - **Children and Young people activity based grants of up to £20,000 over one year totalling £225,000 from April 2023**
- 3.3 Agree the funding of advice services in the borough for three years following an open and competitive programme as set out in Appendix Two, totalling £922,500 and the use of remaining advice grant budget to meet some of the identified gaps in provision.**
- 3.4 Agree one year funding for Specialist grants totalling £719,066 as set out in Appendix One.**
- 3.5 Agree in regards to Community Infrastructure grants to**
- **award a second year of funding (of a total of three) for existing Community Infrastructure organisations at £19,800 each per annum, which includes a 10% uplift (see Appendix One)**
  - **award those organisations in receipt of Community Infrastructure grant in 2022/23 an increase of the in-year funding by £3,000 to provide a total of £18,000**
  - **carry over £25,000 development funding that can be deployed to support development and capacity building to enable gaps in geography or community to be addressed.**
- 3.5 To set aside £200,000 of the grant programme budget provision for financial intervention for organisations at risk of closure and delegate authority to approve grants to the Head of Policy and Strategic Delivery in consultation with the Portfolio Holder for Health, adult social care, voluntary sector and leisure.**
- 3.6 Agree to contribute to the London borough's grant scheme administered by London Councils 2023/24 and note that the contribution will be in the region of £208,093**
- 3.7 To delegate authority to approve the Project Grants 2023/24 including Community Chest, Physical Activity and Children and Young People's Grants, as well as the deployment of resources to address and/or meet any gaps in Advice Services or Community Infrastructure grants, to the Head of Policy and Strategic Delivery in consultation with the Portfolio Holder for Health, adult social care, voluntary sector and leisure, and the Portfolio Holder for education, young people and children's social care**

#### 4. Reason(s) for decision

4.1. Cabinet is asked to agree the funding criteria, timetable and details of the Hackney Voluntary and Community Sector Grants programme for 2023/24 as a key decision of the Council as it affects two or more wards and is related to Council spend. The indicative timetable is set out below:

#### Timetable

	<b>Project Grants*</b>	<b>Community Infrastructure Grants</b>
Applications open	February 2023	February 2023
Applications close	March 2023	April 2023
Delegated authority decisions	April 2023	
Recommendations to Cabinet	N/A	July 2023

\*Please note that 3 further rounds of Community Chest grants will take place later in the year.

#### VCS Grants Programme for 2023/24 including Public Health and Children and Young people grants

<b>Grant Programme</b>	<b>Core Budget</b>	<b>Other funding*</b>	<b>Total</b>
<b>Project Grants</b> (including general, Community Chest, Children and Young People* and Physical Activity**)	£216,000	£340,000	£556,000
<b>Advice Services</b> (total budget including Public Health contribution*** and funding to fill gaps thorough development work)	£1,000,326	£120,000	£1,120,326
<b>Community Infrastructure</b>	£520,000		£520,000
<b>Specialist Grants</b>	£719,066		£719,066
<b>Financial Intervention Support Grants</b>	£200,000		£200,000
<b>Total Grants Programme</b>	<b>£2,655,392</b>	<b>£460,000</b>	<b>£3,115,392</b>

\*£200,000 for the Children & Young People's Fund is from Young Hackney's budget.

\*\*The Public Health Physical Activity budget is £280,000 over 2 years. The amount in the table above has been apportioned at £140,000 as an estimate.

\*\*\*£120,000 contribution from the Public Health budget

4.1.2 The review of the Council's grant programme has continued. The strategic review of Specialist and Project Grants is being informed by work undertaken for the Council by a local Community Anchor organisation. Their report suggests ways in which the Council's investment could be both more strategic and systemic enabling greater impact, building on the approach taken with Community Infrastructure grants. However further work needs to be undertaken across the Council and with partners to understand where funding strategy and investment can be aligned. Progress on this and any changes for the programme will be reported back to a future Cabinet meeting.

4.1.3 The review of the grants programme has enabled further exploration and opportunities to build in equality focussed and anti-racist approaches to the delivery of the investment. For example, assessor training now involves a section on intersectionality and institutional racism. This is something that officers will develop further for the 2023/24 programme. We have also placed more emphasis on supporting groups who are led by those with lived experience, and have used information on organisational leadership and beneficiary groups to make decisions in a more targeted way. We will continue to build upon this for the 2023/24 programme. Over the past year we have sought feedback from groups around grants processes to ensure that we are providing a service that is fair, transparent, and proportionate to groups. We have received good feedback so far and are taking all suggestions into consideration for next year's programme. We also continually look to other funders for best practice and are pleased that we are already delivering 70% of [IVAR's recommended actions for grantmakers](#).

4.1.4 During the pandemic we learnt 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 simple projects and measurable outputs. 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 Advice providers, and the change and transformation we are trying to achieve as a Council.

## **4.2 Community Infrastructure Grants**

4.2.1 In 2022/23 we funded 20 new Community Infrastructure organisations. These are locality or community based organisations that work preventatively, working with communities at grassroots level to co-design services, build local systems of support and help the Council to improve reach. During the pandemic we were able to witness the expertise and reach that these organisations have in their communities along with the person-centred ways of working they adopt to meet the presenting need and work with complexity.

This was seen in place-based organisations but also those working with particular communities e.g black led organisations. This range of community infrastructure utilised its strengths and assets, flexing and adapting to the needs of individuals and communities. At the same time they were promoting social inclusion, building relationships with people and creating new connections. Community infrastructure proved to be a crucial resource during the pandemic and yet for many years there has been little or no direct investment in this.

- 4.2.3 This activity is key to a preventative agenda that seeks to build upon the assets within communities, as well as helping to respond to the Cost of Living crisis. Although our commitment to fund is over three years in the first year our focus has been to collaborate with each organisation to explore and identify,
- What they need to measure in order to reflect on their practice and improve outcomes for residents through their activity and across the system
  - More systemic collaborative ways of working and what challenges/benefits does this bring
  - The sharing of learning and influencing practice.
- 4.2.4 The Community Infrastructure organisations have been partnered with 20 Relational Leads. These are all volunteer officers from across the Council committed to developing the programme further, developing ways of helping Council services to work more meaningfully and effectively with community partners, and strengthening our way of working on early help and prevention across the lifecourse. The work of the Relational Leads is supported and coordinated by the new System Convenor roles within the Policy and Strategic Delivery Team.
- 4.2.5 Rather than allocate grants to each Community Infrastructure organisation just according to the merits of each application, the Council's intention was to bring a collaborative approach to decisions in discussion with the organisations. This helped us to avoid being reductive and believing that we can quantify the capacity needed and the outcomes in the first year, across a wide and diverse range of organisations. We discussed with partners the option of equal grants and agreement was reached for grants of £18,000 per organisation (excluding those with an annual turnover below £36k) as a good starting point and that as the work progressed our learning will inform future decisions based on our understanding of each organisation.
- 4.2.7 Although £400,000 had been identified for the investment in Community Infrastructure Grants for 2022/23, only £139,500 was recommended for award earlier in the year. £57,000 of the annual £15,000 allocation to each grantee was held back to reflect the timing of the grant award and the likely spend in 2022/23. Cabinet is now being asked to agree an additional £3,000 for each organisation for 2022-23 from the £57,000 held back. A further £53,500 has been identified to try to ensure that gaps either by geography or community can be addressed and development support can be put in place if the new round of Community Infrastructure grants are unable to address this.



4.2.6 We are planning to extend the number of Community Infrastructure organisations in 2023/24 to 25 to try and bring in a wider range of organisations working with different parts of our communities and in different localities to increase coverage. Colleagues from the North East London Health and Care Partnership have also expressed an interest in taking roles as Relational leads so that they can also benefit from the learning and development of co-production skills.

### **4.3 Project Grants**

4.3.1 As already set out, we intend to broadly continue with our existing programme objectives and equality aims, which guide applicants on the outcomes we are seeking to achieve from the grants programme, but with a renewed focus on specific beneficiary groups who are being particularly affected by the cost of living crisis. Whilst we are reprioritising our investment to protect and develop community infrastructure we will continue to invest part of the programme in short-term project based activity.

4.3.2 We will continue to use the learning from the past year to include income thresholds for organisations, and analysing organisational leadership, which has led to increased support of grassroots and equalities-led groups over the past year.

4.3.3 We will continue to run our open programme as our Project Grants rather than Main and Small Grants from previous years. The Project Grants strand will encompass generic Project Grants, Children and Young People's Grants (discussed further in 4.4), and Community Chest. This year we will also be working with colleagues in Public Health to deliver a Physical Activity grants programme, which will replace their previous Physical Activity commissioning. The Physical Activity grants will be two years in length. Responding to feedback from applicants last year it is intended to offer two year grants where possible for the Project Grants in 2023/24 to ensure alignment and consistency between the funding streams.

### **4.4 Grant funding Children and Young People's activity**

4.4.1 Building on the success of the 2022/23 programme, this grants scheme specifically for children and young people will use a budget that in previous years has been deployed for one-off commissioning of youth activity by the Children and Families Service. The funding will be prioritised for the identified health and wellbeing needs of young people within the eight Primary Care Networks of the Integrated Care Partnership. However as with all grants in the programme the ability to ensure geographical spread across the borough will be dependent upon the spread of applications received.

4.4.2 The grants will be for one year youth work projects. Applicants will be asked to focus on youth work methodology and may include specialist providers for a

variety of activities including sport, drama and film. As with the wider grants programme the activities for children and young people should speak to anti racist and anti oppressive practices so that provision is inclusive and seeks to promote equality. Grant funding rather than commissioning should enable more collaborative working both with the Council and between VCS organisations that are funded. This in turn should ensure additionality from the resources being used.

#### **4.5 Advice grants**

- 4.5.1 Our advice partners continue to be central to the vital work of the VCS in supporting residents through the CoLC. Ongoing work with organisations has increased the levels of collaboration and partnership within the advice system but also other VCS organisations responding to the material impacts of poverty in Hackney. In order to ensure that we have a network of advice partners that can respond to the various needs of the communities of Hackney we have tested this through a recent application process.
- 4.5.2 The two stage application process consisted of an application form structured around the advice framework which focuses on delivering person-centred services, and interviewing advice partners. The application form and process follows the relational approach adopted elsewhere in the grants programme by creating the opportunity for applying organisations to be open about their approaches, considerations and challenges when supporting residents.
- 4.5.3 The assessment panel consisted of officers from across the Council and representation from the voluntary and community sector. Applicants were assessed on how they apply person centred approaches based on what matters to residents, processes for identifying and responding to demand and commitment to working in partnership with other agencies.
- 4.5.4 The assessment panel considered applications in the context of an advice system for Hackney. This covered particular specialisms in social welfare advice including debt, housing and immigration. The panel acknowledged that for some Black and Global Majority communities they are unlikely to turn to the Council or unfamiliar agencies for support so potentially not accessing the right qualified assistance to deal with their issues or concerns. As part of their assessments, the panel considered the benefits for supporting advice partners that are trusted and established in particular communities.
- 4.5.5 Following an initial assessment of applications individually by officers and a partner from the VCS the assessors came together to consider the scores and to discuss these in the wider context of advice needs in Hackney. All of the applicants were then interviewed to ensure that any questions or clarification from the application could be explored so that the panel had a fuller understanding of the application. Several panel meetings were then convened to consider the additional insight captured from interviews. Key considerations of the panel included understanding if the applying advice partner's support

offer was established in the borough, known to communities and how they worked with other partners and the Council to provide person centred social welfare advice.

- 4.5.6 The panel agreed to recommend funding to nineteen advice partners outlined in Appendix 2. Of these advice partners one is new to receiving a social welfare advice grant. To determine the level of funding to award the panel, focused on funding an advice system for Hackney, considered shortlisted advice partners' capacity, specialism and potential increases demand for support from particular Black and Global Majority communities or those affected by legislative changes (e.g. No Recourse to Public Funds, Employment Rights).
- 4.5.7 Following the completion of the assessment process it has been identified that although officers have recommended funding for an extensive advice offer there is a noticeable gap in provision in the north of Hackney serving specific cultural and religious communities. Recognising the likelihood that residents/communities in this area of the borough will not readily travel to funded provisions located elsewhere or due to unfamiliarity with particular advice partners, officers propose retaining some funding from the advice budget specifically to explore possible options with organisations established in that locality.
- 4.5.8 Unsuccessful organisations will be reassured of their value to the borough, explaining the assessment process to fund an advice system for Hackney. In the collective cross-sector drive to work in partnership to mitigate the impact and address the challenges caused due to the cost of living crisis, the Council will seek to develop and maintain a relationship with these organisations. For successful advice partners, once grant funding has been confirmed, officers will resume building connections across the partnership to discuss how they can work collectively to strengthen delivery to ensure residents are able to get the support they need, effectively and efficiently e.g. adapting delivery models, improving referral pathways and communicating capacity pressures.
- 4.5.9 Acknowledging that a high proportion of demand for advice is generated by Council departments and Department of Work and Pensions, officers alongside advice partners will continue to work with key departments to explore ways to both potentially prevent demand for occurring and ways of getting quicker resolution to issues. This will create more capacity amongst advice partners as it will reduce the time spent trying to establish connections with key statutory agencies in order to work on a resolution on behalf of a resident. Alongside developing the measures to reduce and mitigate the impact of demand, officers will work with advice partners to develop short-term and long-term measures to address the poverty crisis in Hackney for example the implementation and extension of Household Support Fund.

## **4.6 Specialist Grants**

- 4.6.1 Following the full review of Specialist Grants completed in 2017, another review has been initiated this year in order to identify where investment should be focused in the future. A local Community Anchor organisation has been assisting the Council in this review. This has not only ensured external challenge but has drawn on the organisation's understanding of the local VCS as well as their learning from the different perspectives from working directly with communities, the providers of services and the investors in communities. The findings will help inform proposals in 2023/24 for any changes to the Specialist Grants in the future.
- 4.6.2 Of the nine Specialist Grant organisations awarded funding since April this year, one grantee has gone into administration and therefore only half of the grant was awarded. Another grantee has been in financial difficulty and has been in negotiations with senior officers within the council for financial support. Their grant has not been claimed in 2022/23 whilst this process continues and provision for a grant is being included in this report for 2023/24. These organisations are outlined in [Appendix 1](#).
- 4.6.3 As we pivot the 2023/24 Grants Programme to have an increased focus on CoLC, Specialist Grants are also being considered in this context. Through the relational ways that the Council's Grants Team work with partners they will be exploring on a case-by-case basis how each organisation is responding to the CoLC. These organisations have been funded at the current rate for a number of years, which effectively means that their grant has decreased in value quite significantly. It is proposed therefore given the rising costs for VCS organisations that they should receive a 10% inflationary uplift.

## **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**

### **6.1 Policy Context**

6.1.1 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.

### **6.2 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, Hackney Today, the Council's website and social media. Workshops and one to one surgeries on the applications process are also run by Hackney CVS. Officers from the Policy Team attend workshops to share information about where to find published evidence and advice about collecting additional evidence locally.

6.2.3 The increase in funding for advice services will be having 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 remains the same so there is a reduction in the open elements of the grants programme. The recent application process has led to a gap in provision in the north of the borough with no dedicated provision to serve the Orthodox Jewish and the South Asian Muslim community. A budget has therefore been set aside within the advice grant envelope to work with communities to address this gap.

6.2.4 The local 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 grants aim to 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.

6.2.5 The increase in funding for advice services and the additional allocation of budget for community infrastructure means less funding directed to the project based grants. The reduction 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. However the physical activity and Children and Young People activity grants will go some way to remediate this.

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 £20,000 will help to ensure that this part of the community continues to benefit from support through the grants programme. This method has been successfully tested in the current 2022/23 programme.

### **6.3 Sustainability**

6.3.1 The Council will continue to administer the programme electronically through the use of the Blackbaud Grants Management software, which eliminates the need for paper applications, thus contributing to the Council's commitment to reducing carbon. Additionally, all grant agreements are now completed electronically which has resulted in no longer using any paper or postage to undertake this process.

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

### **6.4 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 introduction of community infrastructure grants also acknowledged 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 funding stream supports 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 Further engagement with the sector is planned to reflect on delivery over the past few years and build upon the VCS Strategy e.g. through a shared Theory of Change. A communications and engagement plan has been developed by the grants team to better understand the experience of applicants and to ensure that the Policy and Strategic Delivery Team continue to have a good understanding of the most effective ways of investing in grants.

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

- 7.1 This report seeks approval of the Voluntary Sector Grants Programme and timetable. In summary the programme recommended for approval is as follows:

<b>Grant Programme</b>	<b>Core Budget</b>	<b>Other funding</b>	<b>Total</b>
<b>Project Grants</b> (including general, Community Chest, Children and Young People and Physical Activity)	£216,000	£340,000	£556,000
<b>Advice Services</b> (total budget including Public Health contribution and funding to fill gaps through development work)	£1,000,326	£120,000	£1,120,326

<b>Community Infrastructure</b> (new and continued funding including development budget)	£520,000		£520,000
<b>Specialist Grants</b>	£719,066		£719,066
<b>Financial Intervention Support Grants</b>	£200,000		£200,000
<b>Total Grants Programme</b>	<b>£2,655,392</b>	<b>£460,000</b>	<b>£3,115,392</b>

7.2 In addition to the grants programme funded by the grants core budget, additional funding has been secured to enhance the Children’s and Young People programmes, £200k, the public health physical activity programme. £140K (£280K over two years) and a £120k contribution from the Public Health budget to fund additional advice services.

7.3 The report also recommends approval of the contribution to the London Borough’s Grant scheme estimated at £208,093.

7.4 There is a budget available to fund the recommendations arising from this report and the Council retains all of the unspent budget from previous years to ensure that the approved budget for the VCS grants programme is fully used to support our local VCS organisations. An allocation of the underspend from 2022/23 is included in the programme for 2023/24 as set out in para 4.2.7 and included in the table above. Whilst the Council’s Budget for 2023/24 has not yet been approved there are no proposals within the Budget report to make savings from the budget that supports the Voluntary Sector Grants Programme. However, it should be noted that due the impact of the cost of living crisis on Council budget and the outlook for the local finance settlements going forward, the Council will need to make further savings from 2024/25 onwards which may impact the budgets supporting this programme.

## **8. VAT implications on land and property transactions**

N/A

## **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 for 2023/24. 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 various grant programmes as set out in paragraph 3.



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 to .....an officer.....”. Therefore, subject to the approval of Cabinet, the Head of Policy and Strategic Delivery is permitted to award the Grants in this Report.

## **Appendices**

☰ Appendix One - Cabinet Report January 2023

☰ Appendix Two Advice Cabinet January 2023

## **Background documents**

**In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required**

**None**

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