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Introduction

The Voluntary Sector Grants Review
The grants programme is one of the vehicles that Redbridge Council has used in the past to work with local groups to deliver and/or to test out new and innovative ways of delivering services in the community. In light of the changing priorities and financial pressures, the Council commissioned a comprehensive review of the voluntary sector grants programme to enable it to better support the ambitions of the Corporate Strategy and the Fairness Commission Report. The main tenets of which, will be reflected in any changes to the priorities of the grant programmes.

The review was not about financial savings; as a decision to reduce the grants budget by 15% from April 2017 was approved by Cabinet in January 2016.

This review involved the voluntary and community sector to co-produce a programme that would enable the Council and its partners to address the changing needs of the Borough.

It was expected that the review would provide guidelines to consolidate the Council’s principles for funding detailed below:

- The Council’s desire for genuine accountability and value for money
- The Voluntary and Community Sector’s desire for greater financial security
- Delivery of the Council’s policy priorities and grant priorities
- The service users desire for delivery of a quality services

Aim of the Review
To develop a transparent, equitable and accessible grant-aid programme that works in partnership with the voluntary and community sector, provides value for money and supports the delivery of the Council’s priorities.

Benchmarking and Best Practice
In order to identify best practice in grant-aid management and trends in other London authorities; a benchmarking review was conducted. This involved visits to 4 London councils and a meeting with London Funders, the membership network aiming to strengthen and support funders and promote effective funding practices, to meet the needs of Londoners.

The four comparator boroughs were selected for the following reasons:

- Camden: Reformed grant programmes and moved to a neighbourhood approach
- Enfield: Grants for strategic partners around equalities strands
- Merton: Hybrid commissioned grants for strategic support from voluntary sector
- Sutton: Commissioning council where everything is tendered
Current Grant Programme
The current corporate grant programmes at Redbridge Council were established under previous administration. Following an external review in 2008, the funding programmes were changed to create:

- Strategic Partners fund
- The Emerging Needs and New Initiatives fund
- The Small Grants programme

These programmes were introduced for the financial year 2009/10. The Small Grants Programme was managed by The East London Community Foundation and this transferred to The London Community Foundation when they merged.

London Councils moved to change their role and funding responsibilities following representations by borough councils; as a result in 2012 a proportion of borough finance was repatriated. Redbridge Council decided to allocate half of the repatriated finance to create The Community Fund and the remainder went into the Council’s revenue budget.

The breakdown of the current grants budget, before the 15% budget reduction is applied in 2017 is as follows:

- Strategic Partners Fund £467K
- Emerging Needs and New Initiatives Fund £81K
- Small Grants £34K
- Community Fund £200K

The review of the current programmes has been timed to allow any changes to be made in line with the budget reduction, to reduce impact.

Consultation and Engagement
Ensuring a diverse representation of voluntary, community and faith organisations were engaged in the review led to the creation of a comprehensive consultation framework.

An online questionnaire was launched in February 2016 and closed on 12th May 2016 in line with the council’s Consultation Guidance and The Redbridge Compact.

- There were 132 completed responses to the online survey
- 66% were completed on behalf of a voluntary or community organisation
- Responses came from all equalities groups

A Review Reference Group was established in February 2016 at the beginning of the process, with all Strategic Partner organisations invited to participate. The group met three times with a total of 11 funded organisations participating, the groups remit was:

- Provide local expertise, knowledge and insight to the process
- Support to ensure strong engagement across the sector and communities
- Discussion forum for ideas, recommendations and way forward
- To engage voluntary organisations in the co-design of the new programmes

Three open access consultation events were held in March; two in Redbridge Central Library and one at Fullwell Cross Library. The sessions were organised for morning, afternoon and evening to ensure accessibility for those wishing to participate.

On the advice of the Reference Group, a further engagement event was organised for 6th April 2016 to follow-on from a Redbridge CVS Network Event. The aim was to increase engagement of smaller community organisations and target those working with specific communities across the equalities strands. The event was well attended and enabled meaningful discussion.

- 50 people attended these engagement events

Internal consultation and engagement with Council officers and Members has also taken place, with a range of meetings over the three month review period.

- 4 council officers engaged
- 1 Cabinet Member engaged

Written responses were submitted electronically by 2 organisations.

A meeting was also held with officers from Vision Redbridge and London Community Foundation as they manage the arts and small grants programmes respectively.
Review Findings

Online Consultation Results
The online consultation demonstrated the recognition and value placed on grant support from Redbridge Council by those who participated.

“LBR should be proud of its commitment to supporting its local voluntary sector: long may this continue!”

Overall there is general support for the current grant programmes and what they are trying to achieve. Approximately two-thirds of respondents believe the current systems are accessible and flexible enough too.

- 66% believe the current grant programmes contribute towards the financial sustainability of the voluntary and community sector
- 66% believe the current grant programmes address community cohesion and support fairness

However the efficiency and effectiveness of the management processes of the current programmes is questioned. Only just over half believe the current processes are efficient, effective and transparent. Online comments identify complex application processes and excessive monitoring that is disproportionate to the funding awards a major issue.

“We applied for a small grant and had excessive administration in relation to the size of grant.”

“For coherent services need short term and long term projects. Cannot be wasting time and money to make laborious applications every year!”

Moving forward the majority of respondents strongly believe that grant funding should be retained. Comments identify the flexibility grant funding offers, along with the ability to lever in more funding to Redbridge as contributory factors to this belief.

- 87% believe that grants are the best way to allocate funds to meet community needs in Redbridge

“Grant funding is the only viable option for many smaller organisations and certainly a more cost effective method for distributing smaller and more short-term funding for specific purposes especially for new initiatives.”

The current Strategic Partner Grants are in most cases semi-commissioned. A specification of outcomes and key activities is developed by officers and then voluntary and community sector organisations bid to deliver these through a competitive grant application process. For this reason, there is some support for commissioning but mainly from the larger organisations.
- 47% believe that commissioning organisations to deliver activities to meet identified needs is the best way for the future

“SP funding has encouraged partnership working, information exchange, widened participation in consultations and developed working relationships.”

The online consultation highlighted anxiety about changing the current programmes, with 50% of respondents unsure if reducing the number of grant programmes would maintain access and fairness in the process. Smaller organisations are particularly sensitive to bureaucracy, competition and monitoring burdens due to their capacity constraints.

“Small voluntary organisations are finding there is increasing competition for any grant trust funding and LA contracts are aimed at larger organisations. We feel that if these grants were cut, the voluntary sector in Redbridge would suffer greatly to the point that many organisations may not survive the current difficult financial climate. The ultimate losers would be the vulnerable people these small organisations serve.”

The most important criteria when appointing a body to manage and administer grant programmes for Redbridge were identified through the online consultation.

- Knowledge of the local voluntary and community sector (76%)
- Open and transparent decision making (62%)
- Knowledge of the borough (61%)

One of the considerations of the review was the voluntary and community sector’s financial security and sustainability. Through the online consultation the most important factors to ensure the needs of the community can be met by the voluntary and community sector were identified as: -

- Multi-year funding (74%)
- Core funding (57%)

**Engagement Event Findings**

The 3 Review Reference Group meetings and 4 engagement events enabled a more detailed exploration of the issues than the online consultation. Facilitated discussions were held with participants that included more context and greater explanation of the pressures on the Council. The quality of debate, constructive contributions and strategic thinking by everyone attending has to be noted. There was a real willingness to contribute to the review to ensure the best outcome for the residents of Redbridge.

The complexity of application processes and confusion about the different grant programmes; including arts grants managed by Vision Redbridge, was a consistent theme at all events.
The requirements for match funding has caused a lot of misunderstanding and differing approaches to demonstrating this in applications. Inequality in current grant systems managed by Redbridge Council has been created by the match funding criteria disproportionately impacting smaller groups. The criteria create barriers:

- Skill and experience of those leading smaller often volunteer led organisations who often have not had to deal with match or in-kind funding before
- No common definition of funding in-kind and how it can be calculated
- Capacity of smaller groups to secure match funding and in-kind support reduces applications

Monitoring systems are laborious and disproportionate to funding allocations. For many small community groups this has become a barrier to applying. London Community Foundation has a much simpler monitoring system modelled on good practice for funders.

Despite being awarded 3 year grants, Strategic Partners have to re-submit their application annually. As well as monitoring and reporting, this is seen as an unnecessary burden on already stretched groups.

The confusion around differing grant programmes, over complex application and monitoring systems and the match funding requirements was identified as the cause for some groups simply deciding not to apply. This is evidenced by the most recent grant programmes being under subscribed. The perceived lack of fairness and accessibility is undermining social action, rather than enabling it.

For projects grants; one year funding with no opportunity for progression to commissioning was felt to undermine effective community response and block services being modernised. Where activities offer value for money, address identified need and supports the Council’s response to the challenges of the future; it was felt the inability to mainstream valued services from grants was a missed opportunity.

Some of the organisations attending engagement events receive numerous grants and/or contracts from across the Council. Differences in monitoring and reporting requirements, as well as the time wasted generating the reports was identified as wasting resources.

**Consultation with Council Officers**

The review of grant programmes commenced just as changes resulting from a Council restructure were happening. This meant that the experience and analysis from officers who had managed voluntary sector funding for many years was captured before they left the Council.

From April 2016, 0.3 full time equivalent (FTE) posts remain to manage the corporate grant programmes; a Principal Officer Community Partnerships with administrative support. The team has had its capacity reduced by 2 FTE posts.
Historically funded organisations benefitted from monitoring visits, support, advice and signposting from their grant manager at the Council. Those groups needing additional support through challenging periods were nurtured to increase sustainability; this was especially the case if they provided valuable services to vulnerable communities.

In light of this personnel reduction, there are concerns about lack of capacity within the Council to administer application and monitoring processes across four programmes. There will certainly not be the capacity to provide the level of support and mentoring some groups have experienced.

The Council could be exposed to financial and reputational risk if grant programmes were not designed to meet capacity; ensuring effective assessment, evaluation and monitoring.

The review identified the duplication in Council officer time monitoring funded providers from the voluntary and community sector. For those receiving grant funding and commissioned services with the Council, the current monitoring approach does not offer value for money for the Council.

The Community Fund is not a part of the corporate grant budget; officers have to seek annual approval from cabinet for the funding to continue.

Monitoring systems are labour intensive and more complex than comparator boroughs. This is historic and a hangover from Local Area Agreements (LAAs). Grant monitoring information was used to contribute towards LAA indicators leading to their complexity.

Strategic Partner funding is a semi-commissioned grant process, supporting a mix of activities relating to engagement, representation and partnership; however in some cases direct service delivery is also included in the grant for historic reasons. This creates a very muddled picture and is not transparent or equitable.
Benchmarking and Best Practice

A core objective of the review was to identify best practice in grant-aid management and benchmark Redbridge Council’s grant programmes against it. This was achieved through visits to comparator councils, strategic bodies such as London Funders, fund management bodies such as London Community Foundation and desk based research.

The following table summarises key findings from comparator borough visits.

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<th>Enfield</th>
<th>Merton</th>
<th>Sutton</th>
<th>Redbridge</th>
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Camden

Camden have completely reformed their grant funding in the last year and now have a programme that is competitively commissioned around neighbourhoods and priority equalities groups.

The neighbourhood commissioned grant approach aims to support strategic partners in balancing the use of community assets (community centres etc) to generate income and supporting local social action. The move towards 7 year funding aims to create stability and security within the voluntary sector.

£1million has been allocated to a community impact fund which the council is currently deciding how to allocate and what its target and priorities will be.

Commissioned contract timescales will be aligned with the grant programme from March 17 (apart from Advice contract which is currently on a different timescale).

Camden operates the Funder Plus model which explains why their staffing allocation is much higher than other comparators. Funder Plus is where the funder supports their grantees in a range of different ways according to their need. This might be through the provision of additional funding so the grantee organisation can commission an evaluation, support in strategic planning, or so that they can access capacity building training from an appropriate provider.
The Communities and Third Sector (CTS) team is not just a grants team but is responsible for supporting stronger communities, supporting VCS partners to deliver positive outcomes for local people; stimulating volunteering and promoting community cohesion. 7 Officers are involved in grant management but this is part of a larger team covering diverse roles; work on stronger communities including volunteering, partnerships, community assets, and foresight/policy.

**Enfield**
The Voluntary Sector Team at Enfield Council manage 5 infrastructure agreements plus running the Hot Desk at Community House where we have approximately 15 organisations operating out of them on a rota basis.

Following a review of the infrastructure funding agreements four years ago by NAVCA, a new process of competitive commissioning through grants was introduced. NAVCA conducted the preliminary work and provided a short-list of organisations along with their recommendations, ensure fairness and transparency. Current funding has been extended until September 2016 with the same finance and conditions, until budget reductions have been agreed for 2017 onwards.

They have also had the Enfield Community Capacity Building Fund, £1.3m over 3 years and a small grants programme with a total of £150,000. There have been challenges in spending the available money at times and forward position is unclear.

Strategic Partner funding is also available linked to those communities with protected characteristics under the Equalities Act. From 2016 funding of these arrangements has been divided across service groupings at the Council; for example older people and disability managed by Health and Adult Social Care, women and LGBT corporately.

Public Health gave the Voluntary Sector Team £50,000 to run the Enfield Community Wellbeing Fund this year (2016/7) and they are currently in negotiations with London councils to run the 3rd year a joint project about getting people close to the job market. Enfield Council also has a range of other activities to support social action and giving: -

> Launching Crowdfunding and looking for projects to consider
> Been involved in a Give and Gain Day teaming up with Waitrose, Royal Bank of Scotland and painted the offices at Mind.
> Looking to set up a donations page on the Enfield Council website for donations to be made directly to local registered charities

**Merton**
Corporate commissioned grants in Merton are focused on advice services, community transport, voluntary sector development, volunteering and pan disability policy and strategic advice. There are only 7 funding agreements managed corporately, as the Council worked with the CVS and Volunteer Centre to merge; reducing grant management.
Merton Council publishes a full list of its funding relationships with the voluntary sector annually on its website\(^1\). This is to ensure transparency and support collaboration between funded and non-funded organisations.

Merton Council has embarked on a refresh of their VCS and Volunteering Strategies, recognising that reducing activity will impact on the sector. Notable points about this process are:

- Council seeking to identify how they can support the voluntary sector to deal with the impact of cuts and reducing Council services and meet their corporate priorities
- Have commissioned a State of the Sector Research Report to assess current capacity and challenges for the VCS that will inform strategy
- The strategy will be linked to the Merton Partnership, so the CCG are fully engaged and play their role in implementing recommendations

Adult Social Care in Merton has a Strategy Group, bringing together key voluntary sector strategic partners, the Director of Communities and Housing, commissioners and the Cabinet Member (CCG joining in 2016). This is a safe creative space where the challenges of meeting local need in the context of budgetary pressures are explored. Historically creative and innovative solutions to the challenges have been generated in this forum and subsequently delivered by the voluntary sector.

**Sutton**

Historically Sutton moved away from grants to service level agreements (SLAs) almost 20 years ago. When they became a commissioning council, all strategic partner and service funding for the voluntary sector moved to tendered contracts.

The Council has delivered a small grants programme in recent years, administered through The Sutton Community Fund at SuttonCVS.

Sutton Council’s ambition is to rationalise funding and contract management by strategic commissioning and encouraging more consortia bids for contracts.

There is current tension in the Council’s relationship with the voluntary sector resulting from the impact of tendering. The sector believes tendering has reduced its capacity to engage in strategic thinking and partnership work, as contracts are more focused on measurable service delivery outputs and outcomes. Equally the Council’s aspiration for joint tenders to deliver services has been undermined by key voluntary organisations tendering against each other, rather than collaboratively.

In the future, Sutton Council sees its relationship with the sector being less about funding and more about support through officer time, information and data.

\(^1\) [http://www.merton.gov.uk/2015616_merton_council_vsfd.pdf](http://www.merton.gov.uk/2015616_merton_council_vsfd.pdf)
London Funders
By engaging London Funders (LF) in the review process, they were able to give a strategic oversight of current practice and trends.

LF believes grants are making a comeback with a more commissioned approach as they offer flexibility in how outcomes are delivered by providers. Competitive grant rounds support co-production with a shared understanding of need and communities empowered to identify solutions.

Cross borough commissioning is being explored by many authorities to achieve efficiency savings and value for money.

Local Giving schemes are proving very successful in some London boroughs; bringing together businesses, residents and voluntary organisations to tackle poverty and inequality. Flagship boroughs were identified as Hackney, Islington, Kingston and Newham.

NHS and Grants
NHS England have recognised the value of grants and published new guidance\(^2\) for CCGs to try and increase the use of this funding mechanism across the health economy. They believe having grant funding as part of the funding mix offers the following benefits:

> Enables commissioners to work with voluntary and community organisations (from small community organisations to larger national bodies) responding to the needs of the public and to target health inequalities.

> A case study demonstrated that an investment of £360,000 into community projects reached 22,500 people; per head that is less than the cost of a GP appointment each.

> Grant agreements may not impose an obligation to provide services, but can require the grantee to use the money towards a particular project or service and set out other terms on which the grant is made. The terms might require the recipient to pay back the grant, or part of it, in some circumstances, for example if the project or service is fulfilled at lower cost.

> Grant funding is not subject to European Union procurement rules, although in making arrangements for large grants there is need to demonstrate a transparent process equivalent to that required by EU procurement rules for contracts, and non-competition should be justified.

National Audit Office (NAO)
Grants and commissioned contracts from the voluntary sector can offer value for money for the public sector. The NAO published guidance in 2011 for successful commissioning\(^3\) to support better value for money being achieved when commissioning from voluntary and community organisations and where this is the case they recommend they should make the best possible use of them.


\(^3\) [https://www.nao.org.uk/successful-commissioning/](https://www.nao.org.uk/successful-commissioning/)
London Community Foundation (LCF)
Redbridge Council currently outsource management of the Small Grants Programme to LCF. The London Community Foundation is dedicated to improving the lives of London’s most disadvantaged and has invested almost £50 million into more than 9,500 charitable projects across the capital since they started in 1995. LCF administer funds for Comic Relief, Evening Standard Dispossessed Fund and many others.

The review identified clear advantages to LCF administering the Redbridge Small Grant programme in terms of its leverage. For 2015-16 Redbridge groups have been awarded £27,060 from Redbridge Small Grants Fund and another £23,998 from other funds managed by LCF.
Review Conclusions and Recommendations

Engagement of the local voluntary and community sector through the review demonstrated strong support for retaining grants. This approach would be in line with most comparator councils and the strategic thinking of London Funders and NHS England.

1. Addressing Fairness, Accessibility and Value for Money

A commitment to retain grant funding at Redbridge Council would need to address a number of factors identified through the review:

(i) Complexity of application process and real misunderstandings about match funding requirements undermines access and fairness
(ii) Monitoring systems that are laborious, disproportionate to funding allocations and excessive when benchmarked with comparator boroughs
(iii) Lack of capacity within Redbridge Council to administer and monitor 4 grant programmes
(iv) An open competitive grant application process would ensure equal opportunity in securing funds
(v) Commissioned grant activity through The Strategic Partner Programme would increase consistency and fairness

Recommendation 1 - Redbridge Council retain a restructured grant programme

2. Strategic Partner Funding

Strategic Partner funding supports a mix of activity and in some cases direct service delivery. This historic arrangement creates a very muddled picture and is not transparent.

The current funding climate for local authorities, with reducing budgets and activity reinforces the need to stimulate and nurture social action; filling gaps and enable self help within communities.

Recommendation 2 - Strategic Partner funding be refocused to support Corporate Priorities across the equalities strands

The aims of Strategic Partner funding would be to empower communities to help shape the borough and the services the Council deliver and increase fairness and facilitate communities to express their aspirations.

Strategic Partners would support these aims by:

- Enabling and supporting communities to engage and have a voice in civic life
- Supporting representation and participation in consultations, engagement events, democracy and co-production
- Represent the interests of relevant communities on partnership boards and stakeholder events
- Promote and support joint/consortium bidding
Support and nurture social action and self help to reduce the burden on communities

3 year funding agreements would also ensure a consistent approach to funded organisations supporting less formal volunteering, groups and social networks – nurturing social action and community resilience.

The equalities strands to receive grant funding would be: -

- Age (2 grants older people and children and young people)
- Disability
- Gender reassignment
- Race
- Religion and belief
- Sex (Gender)
- Sexual orientation

Marriage and civil partnership, pregnancy and maternity could be cross cutting themes across all the other strands.

Recommendation 3 - Funding for direct service delivery currently included in the Strategic Partner arrangements be commissioned through grants separately

Core services and support roles provided by the voluntary sector are currently funded through the Strategic Partners grant programme. In all comparator boroughs the services and activities they delivered were recognised and commissioned separately. The organisations affected by this recommendation are: -

- Disability Consortium
- Redbridge CAB
- Redbridge Carers Support Service
- RedbridgeCVS
- Victim Support

Approaching grant funding of these activities separately presents Redbridge Council with strategic commissioning opportunities: -

(i) To develop a strategy for commissioning advice and information services across the Council. There are currently a range of providers in the voluntary sector funded to provide advice and a more strategic approach could be achieved.

(ii) Capacity building, voluntary sector support and representation; including support for BAME groups, brought together under one funding agreement.

(iii) Pan disability policy support and the provision of advice and information clearly defined and recognised.
3. **Incentivising Change**

The review identified the lack of opportunity to progress from grant funding to commissioned services. At the same time a key Council priority is to transform in tough times to be dynamic and responsive to the challenges of the future. A portion of the current grant budget could be used to stimulate and enable change through collaborative working.

**Recommendation 4 – Top slice the grant budget to create the Redbridge Transformation Fund to promote partnership working**

This recommendation would see a small proportion of the current total grant budget allocated to new fund to incentive change. The programme would only have one round of proposals submitted each year and they would have to come from a voluntary organisation in collaboration with one or more statutory sector partners (Council, CCG, police, schools or Job CentrePlus).

The aim of the fund is to support the reform of a model of service delivery or intervention to increase sustainability in the current financial climate. The benefits of this proposal are:

- Supports innovation and the transformation agenda
- Encourages stronger collaboration to address challenges
- Provides route to progress from grants into commissioning
- Increases wider engagement of sector with commissioners from all agencies
- Starts in 2018/19 to allow projects to develop

**Transition Grant**

The recommendations in this report are likely to impact on some of the organisations currently funded through the Strategic Partners Programme. In year 1 of implementation (2017/18), the Transformation Fund budget could be used to provide some financial assistance to those groups needing to make the transition from LBR funding to external sources.

4. **New Grant Programme**

Keeping a grant programme that is simplified, more accessible and linked to current Corporate Priorities and the Fairness Commission is essential for enabling communities to be more resilient.

**Recommendation 5 – Merge the Emerging Needs and New Initiatives Fund, the Small Grants Programme and Community Fund into a new single Redbridge Grant Programme**

The new integrated grant programme should be managed by London Community Foundation. This would offer the following benefits:

- Experienced in managing grant programmes and have online application systems that are efficient and reduce administration overheads
- Leverage Redbridge Council funds would generate for the borough
- 6 community representatives and 1 Council Cabinet Member and/or officer on grants panel supports local knowledge, insight and overview in decision making
✓ Addresses lack of officer capacity at the Council to manage grants in the future

The priorities for the integrated grant programme are linked to the Corporate Plan and the Fairness Commission recommendations and would be:

(i) Improving life chances of disadvantaged children, young people and adults
(ii) Developing social networks improving the ability of residents to support one another to feel safe and part of the community
(iii) Supporting the health and well-being of residents preventing the need for health and social care interventions
(iv) Supporting residents to engage in activities to develop and improve their local environment

5. Critical Success Factors
In order for the restructured voluntary sector grant programme to be delivered successfully, the review identified a series of factors that need to be delivered. These address issues around potential efficiency savings in officer time and remove historic systems undermining transparency and value for money in current arrangements.

1. The Community Fund is written into main grant budget (2017/8 onwards)

2. Grants can be for up to 2 years, introducing more flexibility and recognising that project development and innovation cannot always be achieved in a 12 month window. This should also reduce the volume of applications that are 1 year funded projects, repackaged and submitted again.

3. One monitoring officer is nominated to manage funding where a voluntary organisation has several funding arrangements across Redbridge Council

4. Monitoring systems for funds managed by Redbridge Council are modernised
   ➢ 3 year awards have six monthly update reports, exceptions and variance reporting (3 sides of A4 paper max). Annual report on progress towards targets etc and a visit if monitoring officer feels it is needed.
   ➢ No more re-application for 3 year funded organisations annually.
   ➢ 1 year funding six monthly update reports, exceptions and variance reporting (3 sides of A4 paper max) and end of grant report.
   ➢ 2 year awards six monthly update reports, exceptions and variance reporting (3 sides of A4 paper max) and end of grant report.

5. Closer collaboration between Corporate Grants and those managed by other agencies such as Vision Redbridge is developed to increase synergy and access.

6. Redbridge Local Giving Scheme needs development and this will add value in terms of income generation, in-kind support from business; adding value to the revised grant programme and Crowd Funding activities.
7. A strategy to address accommodation issues faced by the voluntary and community sector will potentially reduce the money spent on rent, overheads, utilities and increase accessibility and quality buildings.

8. Support to BAME voluntary and community organisations is integrated into the main sector support agreement, as in all comparator boroughs.

9. The turnover threshold for organisations applying for grants is removed to increase access and fairness.

10. The match funding requirement is removed as criteria for grant approval and is replaced with a section in the application that requires bidders to demonstrate added value – volunteer time, match funding, in-kind support, link to other programmes and priorities, local job and training opportunities created.

11. Organisations are encouraged to bid collaboratively where it makes strategic and financial sense to promote joint working; therefore reducing the grant management burden.

**Funding Implications**

The total grant budget including the Community Fund will have a 15% reduction from 2017/8 agreed by Cabinet in January 2016. As a result the total budget from 2017 is £664,700.00, assuming that the Community Fund is included in the base budget.

Applying the 15% reduction as equitably as possible across all funded areas, whilst recognising that some new Strategic Partner activity is required is complex. If all the recommendations of the review are agreed, a draft budget for the new grants programme could be as follows:-

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Partners</strong></td>
<td>175,000</td>
</tr>
<tr>
<td><strong>Commissioned Grants</strong></td>
<td></td>
</tr>
<tr>
<td>Advice Service</td>
<td>61,000</td>
</tr>
<tr>
<td>VS Development (including BAME sector)</td>
<td>75,000</td>
</tr>
<tr>
<td>Victim Support</td>
<td>25,000</td>
</tr>
<tr>
<td>Disability</td>
<td>60,000</td>
</tr>
<tr>
<td>Transformation Fund</td>
<td>42,500</td>
</tr>
<tr>
<td><strong>Redbridge Grant Programme</strong></td>
<td>206,200</td>
</tr>
<tr>
<td>Rent Subsidy (Disability Consortium)</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£664,700</strong></td>
</tr>
</tbody>
</table>
Assumptions underpinning the draft budget:

(i) There will be 8 Strategic Partner funding opportunities and not all strands would require the same level of funding.
(ii) Some Strategic Partner strands may be relatively small communities and therefore be incorporated into bids submitted for other communities
(iii) Voice and representation of the voluntary and community sector and BAME voluntary sector are merged into VCS development commissioned grant
(iv) Supporting some of the funded organisations into more appropriate and cost effective buildings will increase access and offer savings to go into the Grant Programme
(v) Some of the 2017/8 grant budget may have to be ring fenced to mitigate impact and support transition for current funded organisations affected by the outcome of the new grant programme

Fairness Considerations
Fairness considerations and the requirements of the Public Sector Equality Duty (PSED) – Equality Act 2010 have been incorporated into all parts of the Review of Redbridge Council’s Voluntary Sector Grants Programmes. This is demonstrated by:

- Ensuring engagement and participation of all groups and communities with protected characteristics in the review process
- Targeted engagement to address gaps
- Ensuring equality of opportunity, access and transparency in the review of current systems and procedures
- Consideration of the way recommendations may impact upon different groups in the community and, where relevant, employees

In line with the Council’s Fairness Commission Report all recommendations arising from the review, have where possible targeted funding towards those in greatest need in line with the Council’s Corporate Priorities.

Engagement
The Review Reference Group ensured the needs and aspirations of Redbridge’s diverse communities were represented and had an influential role in the review process. The value of Strategic Partners was demonstrated through this role and ensured at all times during the review process the needs, access and impact of communities was discussed and explored.

The online consultation enabled analysis of participants across communities. It asked if they were responding on behalf of an organisation; please identify if you are user led by, or primarily benefitting one specific community from options provided.
As the review progressed, those communities underrepresented in the online consultation were targeted by members of the Reference Group to increase participation. This resulted in a good coverage across most equalities strands for online consultation.

Open access engagement events attracted participation from more diverse communities. With support of the Review Reference Group and particularly RedbridgeCVS, the event on 6th April 2016 attended by 42 people engaged a broad audience:

- BAME organisations and communities
- Women’s groups
- Faith and those with faith groups
- Arts groups
- Disability groups
- Disability groups
- Older people
- Children and young people

**Impact of Review Recommendations**

The impact of recommendations in the review report has been considered for Redbridge’s diverse communities and smaller voluntary and community sector organisations. This is additional to those considered when the 15% reduction in grant budget was approved in 2015.

1. **Restructuring of Strategic Partner Funding**

   The reconfiguration of Strategic Partner funding enables communities with protected characteristics to access funding for the first time. This will increase their voice and representation and build capacity in the voluntary sector. Identified benefits of this change are: -
   - The voice of women and LGBT communities in strategic and service planning enhanced
   - The women’s and LGBT voluntary sector developed
   - Gaps in Council support for communities is addressed
   - Flexibility in the budget allows for grant awards that recognise the additional costs associated with engaging certain communities (i.e. access, information and communication support)
The changes to this programme will impact on some organisations more than others, redressing historic inequality. The Council is mindful of this impact and will work with organisations to mitigate impact where possible e.g. through the use of transition funding.

2. New Grant Programme
The proposal to contract London Community Foundation (LCF) to manage the grant programme has been proposed after analysis of their accessibility and success in engaging the borough’s communities. This is demonstrated by a sample of the management data from 2015/16 provided by LCF: -

> 45% of applicants selected ‘Black, Asian and Minority Ethnic’ or ‘Refugee/Asylum seeker’ as the primary beneficiary group of their project.
> A further 36% selected one or both as their secondary beneficiary group.
> 45% of applicants selected a BAME group as the primary ethnicity and a further 36% selected ‘all ethnicities’ as their beneficiaries
> 59% selected a BAME group as their secondary beneficiary ethnicity

The new grant criteria and monitoring systems are all aimed at reducing inequality identified in the current programmes, which are a barrier to smaller community organisations accessing funding.

3. Transformation Fund
In order to address the barriers preventing valuable services developed in the voluntary sector being mainstreamed or sustained, the new funding programme aims to create a progression route. This will be a step to creating fairness in the market and supporting change, recognising the value and contribution of community led solutions.