

# Decision Pathway – Report Template



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 03 December 2019

<b>TITLE</b>	Enabling the VCSE sector support grant		
<b>Ward(s)</b>	All		
<b>Author:</b> Penny Germon	<b>Job title:</b> Neighbourhoods and Communities Service Manager		
<b>Cabinet lead:</b> Councillor Asher Craig	<b>Executive Director lead:</b> Mike Jackson		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member			
<b>Decision forum:</b> Cabinet			
<p><b>Purpose of Report:</b> To seek delegated authority to invite VCSE organisations to apply for a grant to build capacity and provide infrastructure support which will enable the voluntary, community and social enterprise sector in Bristol over a period of four years, maintaining the current funding of £316,608 p.a., £1,266,432 over four years. Applications will be invited from VCSE organisations with the track record and depth of experience to build on the journey so far and crucially maximise the city's assets (expertise, skills, knowledge, buildings).</p>			
<p><b>Evidence Base:</b></p> <ol style="list-style-type: none"> <li>The council's investment in the Enabling the VCSE sector grant will contribute to: <ul style="list-style-type: none"> <li>Powerful, thriving communities</li> <li>Strong, long term vision and leadership of the sector</li> <li>A city plan and approach that reflects the diversity and creativity of the city</li> </ul> </li> <li>The existing four year funding agreement for VCSE infrastructure support ends 31<sup>st</sup> March 2020. Activities include; training, access to advice and expertise, supporting collaboration, voice and influence.</li> <li>In the last two years there has been a 25.5% reduction in the grant from £453,796 to £338,118. An additional contribution of £21,510 is made by the Bristol, North East Somerset &amp; South Gloucestershire Clinical Commissioning Group (BNSSG).</li> <li>The Corporate Strategy and City Plan recognises the vital role of the VCSE in the life of the city and in particular addressing the challenge of reduced public service and increasing inequality. Well run VCSE organisations reach communities, lever in funding and add social and economic capital in ways that BCC cannot.</li> <li>There are significant challenges facing the VCSE sector. There is a need to build on existing resources, embrace technology, find new ways to communicate, diversify funding, prepare for new models of investment and income generation and invest in more collaborative ways of working. The Enabling VCSE grant will provide important capacity building support at a time of significant challenge and change.</li> <li>In Jan 2019 Bristol VCSE launched its 10-year strategy <i>Into a New Era 2019-2029</i>. This is an important piece of work which sets out the sector's impact, potential and ability to meet the challenges ahead and ultimately to help citizens and communities survive and thrive.</li> <li>Organisations supporting the development of the sector in Bristol include: Voscur, Black South West Network, Locality, School of Social Entrepreneurs, Quartet, Bristol &amp; Bath Regional Capital. Many organisations provide</li> </ol>			

informal support to small and emerging organisations. Through strategic and operational collaboration the sector is best placed to determine the arrangements and activities to build long term capacity and sustainability and continue to play its role in the leadership of the city. It is, therefore, proposed BCC continue with grant funding (rather than contract).

10. Applications will be invited from VCSE organisations with the track record and depth of experience to build on the journey so far and crucially maximise the city’s assets (expertise, skills, knowledge, land and buildings).

11. It is proposed five community development principles underpin the approach i) Inclusion & Equity ii) Asset-based iii) Place Based iv) Citizen-led v) Relational. Together with 5 priority areas of work (see Appendix A).

12. The VCSE sector is hugely diverse, which is a great asset, but there is inequality of opportunity and influence. BCC will expect applicants to have clear proposals for taking positive action to address systemic disadvantage, growing the diversity of the sector and its leadership.

13. A large majority of respondents to the consultation supported the principles and priority areas of work. The proposal has been amended to reflect the key areas of feedback. A summary of the changes can be found in Appendix A. There are some wider points which will need to be considered by BCC when working with the sector and by applicants when developing proposals:

- There are differences in the priorities for support between organisations under/over £250k income.
- Black and minority ethnic - led organisations emphasised the need for greater equity requiring more bespoke support.
- Collaboration requires investment of time and favours organisations with capacity.
- Grant funding is a necessary and inevitable part of the community and voluntary sector.

**Cabinet Member recommends that Cabinet:**

1. Authorises the Executive Director Resources in consultation with the Deputy Mayor to invite VCSE organisations to apply for a grant to enable the VCSE sector to build capacity and provide infrastructure support from 1<sup>st</sup> October 2020 – 30<sup>th</sup> September 2024 at a total cost of £1,266,432 (£316,608 p.a.) with the option to extend by 12 months (taking the total cost up to £1,583,040) and to enter into a grant agreement with the successful applicant.
2. Authorises the Executive Director Resources in consultation with the Deputy Mayor – Communities to apply the option to extend the current arrangement by 12 months at a further cost of £316,608.

**Corporate Strategy alignment:**

1. Corporate Strategy: ‘Bristol’s diverse and creative community and voluntary sector is one of the city’s great assets....We need to work closely together in the spirit of constructive support and challenge, maintaining a sector which is strong and sustainable in its own right.’
2. Empowering and Caring Theme 4: Prioritise community development and enable people to support their community; it is a direct support to ‘citizen- and community-led action’.

**City Benefits:**

1. Enables VCSE participation in the development and delivery of the One City Plan across all priority themes.
2. Positive contribution to tackling inequality

**Consultation Details**

A consultation with the VCSE, internal stakeholders and partners took place between 19th July and 15th September 2019, consisting of:

- An online survey
- 7 events for VCSE organisations, attendance at a Black South West Network, 1 for internal stakeholders and 1 for councillors

The consultation report is attached at Appendix B

<b>Revenue Cost</b>	<b>£1,266,432 £316,608 p.a.</b>	<b>Source of Revenue Funding</b>	General Fund
<b>Capital Cost</b>	<b>£0</b>	<b>Source of Capital Funding</b>	Not applicable

One off cost <input type="checkbox"/>	Ongoing cost <input checked="" type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>
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**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** The request is to maintain the current annual approved funding of £316,608 for a further four years totalling £1,266,432. The report also states that there has been a reduction of 25.5% within the last two years. To protect the revenue position of the council should it be necessary, grant agreements contain a clause to cover for any possible future reductions in funding.

**Finance Business Partner:** Kevin Lock, Finance Manager, Business Support 19.11.19

**2. Legal Advice:**  
**Procurement**

Provided the agreement is a grant agreement and not a contract for services, it will not need to be procured in compliance with the Public Contracts Regulations 2015. Client officers will need to seek legal assistance to ensure the agreement is a grant agreement.

**Consultation**

Consultation has taken place in relation to the decision to be taken. The responses to the consultation must be taken into account by Cabinet when taking the decision. Cabinet should also be satisfied that proper consultation has taken place in that (i) proposals were consulted on are at a formative stage (ii) sufficient reasons have been given for the proposals and (iii) adequate time has been allowed for consideration and response.

**Equalities**

The Council must comply with the requirements of the Public Sector Equality duty when making any decisions. The duty requires the decision maker to consider the need to promote equality for persons with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.

In order to do this the decision maker must have sufficient information about the effects of the proposed decision on the aims of the Duty. The Equalities Impact Check/Assessment is designed to assist with compliance with this duty. Its purpose is to assess whether there are any barriers in place that may prevent people with a protected characteristic using a service or benefiting from a policy.

**State Aid**

The level of funding proposed would suggest a risk that this grant would or could amount to provision of state aid. Charities, social or community organisations, or awards for the purpose of providing social benefit, are not exempt from the EU State Aid Rules. For it to be State Aid the answer to each of the following questions will be yes:

- 1 Is the assistance/funding coming from public resources?
- 2 Will it give an potential advantage to one or more undertakings over others?
- 3 Does it distort or have the potential to distort competition?
- 4 Does it affect trade between Member States?

In my view the answer to the first two questions above is yes. On the third, there is a market for provision of business support services such as those envisaged in this Report and the grant of such funding could distort that competition. This is especially so in light of the potential for the successful applicant to charge for some of its services. The fact that the purpose is to benefit VCS organisations only local to Bristol, however, suggests strongly that provision of the grant is unlikely to attract international applicants and if so, then it would not amount to EU State Aid.

**Legal Team Leader:** Sinead Willis, Commercial and Governance Team, 19<sup>th</sup> November 2019

**3. Implications on IT:** No direct impact on IT Services, however the statement of ‘Developments in digital and online technologies are providing opportunities’ will need to be carefully reviewed in alignment to the IT Strategy and the IT Transformation Plan

**IT Team Leader:** Simon Oliver, Director - Digital Transformation 01.10.19

**4. HR Advice:** As this relates to a voluntary sector grant proposal there are no HR implications identified in the information provided

**HR Partner:** Celia Williams, HR Business Partner 4 October 2019

**Background Documents:**

- NAVCA (National Association for Voluntary and Community Action) in its 2015 report ‘Change for Good’ <sup>1</sup>
- [One City Plan 2019](#)
- [Corporate Strategy 2018–2023](#)
- [Civil Society Strategy 2018](#)
- [Start Somewhere](#): IVAR June 2019 - Key findings from an exploratory study into making technology imaginable and usable for small voluntary organisations.
- [The Value of Small!](#): Institute for Voluntary Action Research (IVAR) report: June 2018
- [Power to Change by Black South-West Network, September 2018](#): This [report](#) identifies “the impact of austerity and the black, Asian, minority ethnic (BAME) sector’s disconnect from power.” and “a need for strategic investment and infrastructure support to effect positive change within the sector”.
- [VCSE Strategy: Into a New Era 2019-2029](#)
- [Powerful Communities, Strong Economies](#): Locality 2017

<b>EDM Sign-off</b>	Mike Jackson	9 <sup>th</sup> October 2019
<b>Cabinet Member sign-off</b>	Councillor Asher Craig	22 <sup>nd</sup> October 2019
<b>CLB Sign-off</b>	N/A	
<b>For Key Decisions - Mayor’s Office sign-off</b>	Mayor’s Office	4 <sup>th</sup> November 2019

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>YES</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>YES</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>