

About this consultation

Topic of this consultation

This consultation is about the proposed approach to realising savings in the Lewisham Council's Main Grants programme from 2017/18.

Audience

The consultation is aimed at voluntary and community organisations that provide services in London Borough of Lewisham. As the proposals are to reduce the funding within the scope of the current Main Grants programme, we are primarily seeking views from organisations that we currently fund. We would also welcome the views of other public or private sector partners who work with the voluntary and community sector in Lewisham.

Duration

The consultation will be open for 6 weeks from 19th May 2016. The deadline for responses is 30th June 2016.

The consultation is shorter than the usual 3 months as set out in the Compact due to the fact that it is limited in scope and does not propose a resetting of the overall priorities which were agreed following a full consultation in 2014.

How to Respond

There are several ways to respond to this consultation:

- Online, through this survey
- By e-mail to: Community.Enterprise@lewisham.gov.uk
- By post to: Community Enterprise Team, 2nd Floor, Laurence House, 1 Catford Road, London SE6 4RU
- Paper copies of this survey are also available upon request from the email or postal addresses detailed above.

There will be a consultation meeting on Wednesday 8th June 2016 to gather views and provide further information. This will be held at the St Laurence Centre, 37 Bromley Road, Catford, London SE6 2TS, between 6-8pm. Places at this consultation meeting must be booked in advance by emailing Community.Enterprise@lewisham.gov.uk. Due to the size of the venue, places are limited to one trustee and one senior staff member per organisation (preferably the Chair and Chief Executive Officer).

After the Consultation

Once the consultation has closed all responses will be considered and a summary of responses collated and included in a report to Mayor and Cabinet Contracts on 13 July 2016. This report will seek approval for the approach to making savings, with a further report recommending future funding levels taken to Mayor and Cabinet Contracts on 7 December 2016. This will allow for a full three months notice of any change in funding levels.

Background

The current Main Grants programme provides funding over four themes that were agreed by Mayor and Cabinet (Contracts) on 12 November 2014:

- **Strong and Cohesive Communities** – this theme seeks to develop and maintain strong communities and build a more inclusive and cohesive borough. It is divided into two strands, one to support Borough-wide provision and the other to fund a network of neighbourhood community development projects. With the reduction in statutory resources, residents and communities are being asked to do more for themselves. This theme seeks to ensure that there is an infrastructure across the borough that can encourage and capitalise on active citizenship, supporting grass roots activity. The theme will also fund services that provide equalities support to ensure equal access to services.
- **Communities that Care** – the overall intention of this theme is to fund a range of organisations that together provide support to vulnerable adults to assist them in accessing services, prevent their needs from escalating, reduce the burden on statutory services and provide links between statutory services, VCS and communities in relation to working together to support vulnerable adults. The activities funded through this theme form an important part of the borough's preventative strategy.
- **Access to Advice Services** – the advice sector provides an essential service to some of the borough's most vulnerable residents. Advice organisations provide independent, high quality advice to individuals to ensure that they receive the benefits they are entitled to, are supported to manage debts, address financial exclusion and deal with housing issues. Statutory services work closely with the advice sector as addressing these issues are of mutual benefit.
- **Widening Access to Arts and Sports** – this theme seeks to ensure that the rich and diverse contribution that the borough's Arts and Sports organisations make to the quality of life of residents is maintained. The Arts and Sports sectors are adept at attracting resources from external funding, earned income and volunteers. However, the sectors still require a level of core funding to enable them to continue to attract these resources that would otherwise be lost to the borough. The focus of our support will be on increasing participation particularly by those who are less able to participate due to disability, economic disadvantage and age.

The final funding allocations were agreed by Mayor and Cabinet (Contracts) in May 2015. The funding began on 1 July 2015 and was agreed for 2.75 years, subject to satisfactory performance.

Commitment to Grant Aid programme

Although the third sectors role within the commissioning of local public services has grown, the council recognises that there continues to be a need for grant aid investment for the following reasons:

- A recognition of the importance of maintaining an independent sector that can act as a critical friend to challenge public sector policy and delivery.
- A recognition of the key role that the sector plays in building civic participation, providing a voice for seldom heard residents and providing community intelligence.
- A recognition of the great diversity of the sector and the need to engage with small and emerging groups as well as large established organisations.
- A recognition of the sector's potential to take risks and innovate which does not sit easily within commissioning frameworks.
- A recognition that third sector organisations have been key delivery partners within Lewisham, including for a wide range of targeted short term initiatives. Grant aid provides a level of security for organisations ensuring that there is a strong sector able to address local need, attract additional resources and be ready to work in partnership with us.

Lewisham Council financial position

Since May 2010 the council has had significant cuts to its budget and these are set to continue.

Between 2010/11 and 2015/16 the council delivered savings of £120m with a further £35m to be delivered in 2016/17 and 2017/18. In addition to this the council needs to identify and deliver savings of a further £45m by 2019/20.

The impact of these savings by 2019/20 will therefore be a reduction in the annual spend by the Council on local services of £200m, compared to 2010/11.

The proposal

Due to the overall financial position of the Council there is a requirement to reduce the funding to the grants programme by £1m from 1 April 2017 and, as such, it is important to consult on the approach to realising this saving. This equates to just over 25% of the overall main grants budget of £3,985,600.

The proposal is that the Council takes a mixed approach to deliver the saving **while maintaining the integrity of the current funding round**, and recommends that the funding settlement agreed is extended for a further year (until 31 March 2019) to mitigate the short term impact on groups affected.

Because the grants programme was given a radical overhaul in 2014/15 with a full three month consultation informing the approach and the themes for funding it is not considered that enough time has passed to justify another full application round, with the associated uncertainty and costs. Further, the council feels that the main principles agreed in 2014/15 are still relevant. In addition to the themes outlined above there is a commitment to fund:

- Organisations that are committed to working with each other and us to ensure the best possible outcomes for Lewisham's residents with our shared resources.
- Active partners who are as passionate about Lewisham as we are and have the drive and capacity to make a difference to people's lives.
- Organisations that understand the level and profile of local need and have the ability to transform the way they work to meet that need.
- Organisations with a track record of adding value to council funding through attracting resources both financial and volunteer time.
- Organisations that share values with the council as well as commitment to the London Living Wage, equalities and environmental sustainability.

As a full re-letting of the current programme is not recommended it is proposed to undertake a combined approach to delivering the saving. The existing funding agreements run until the end of 2017/18 and the savings requirement comes one year before that point so the most straightforward approach is to look for a way to reduce the level of spend to the existing groups. There are a number of ways in which this could be done. It is recommended that this be undertaken in the following order of priority:

- *Remove funding from under-performing groups/those performing least well*
- *Negotiate reductions and seek alternative funding streams*
- *Work with groups to consider mergers or asset sharing*
- *Pro-rata reductions across all groups*

These steps are explored further below:

- **Remove funding from under-performing groups/those performing least well** - There are a small number of groups who are currently under performing against their agreed outcomes/outputs. This will include an examination of the original funding proposals, data submissions and other progress measures to assess progress against agreed objectives. Any assessment of performance which has an impact on funding will have to be robust and defensible with all mitigating factors considered.
- **Negotiate reductions and seek alternative funding streams** - It is likely to be possible to enter into negotiations with some partners in order to agree a saving ahead of any imposed cut. This may be due to planned capital investment or due to a change in funding arrangements from other sources. The council will take a partnership approach to identifying other funders to explore the possibility of alternative revenue streams for some elements of the programme. Officers will also signal to all grant recipients that innovative proposals to change the nature of the funding arrangements would be welcome. Another consideration would be capital investment into projects to allow them to change their business models and reduce the need for on-going revenue. This could allow projects to continue with reduced level of grant funding and better equip them to move into the contracts and commissioning arena for future revenue needs.
- **Work with groups to consider mergers or asset sharing** - As outlined in this section of the consultation, the main principles of grant funding include working in partnership and sharing resources to deliver outcomes. Due to the scale of the savings required from some organisations/services it may be beneficial for the end user if provision is merged or fixed assets are shared. Officers will work with organisations to explore possibilities for joint work to deliver savings in infrastructure and back-office costs.
- **Pro-rata reductions across all groups**- This approach would see all groups have an equal percentage reduction for the final year (s) of the programme. This could be considered the 'fairest' way to allocate the saving but the council accepts that it is likely to cause difficulty for groups as many grants pay for single posts that are not easily reduced in this way. A pro-rata cut also makes no value judgement whatsoever regarding the relative merits of different provision and was rejected as part of the consultation for the previous reduction in grant funding in 2014. However, having already removed underperforming services and negotiated other changes as outlined above the pro-rata remains the final element to realise the overall saving.

Conclusion

The overall approach outline above is proposed as, despite the problems identified with the individual elements, they maintain the integrity of the current programme and are easily defensible in their application. The final reliance on a pro-rata cut is unwelcome but there seem few other options once the other approaches have been exhausted.

In recognition of the fact that groups with funding agreements for three years have faced reductions during that period it is recommended that the revised settlement is extended for a further year through to 31 March 2019.

Timetable

The outcome of this consultation will be presented to Mayor and Cabinet Contracts on 13 July 2016. Officers will seek approval for the overall approach to the saving and to begin to work with groups to achieve savings as outlined above.

Information will be provided about the appeals process. All draft recommendations and appeals will be presented to Mayor and Cabinet Contracts for decision on 7 December 2016. The new grants will be implemented from 1st April 2017 for a further two years.

Consultation questions

In what capacity are you responding to this consultation?

(please select one answer)

Professionally, on behalf of a voluntary or community organisation

Personally, as an individual employed by a voluntary or community organisation

Personally, as an individual using services provided by a voluntary or community organisation

Other...please specify below

Please describe in what other capacity you are responding to this consultation?

If you are responding to this consultation in a professional capacity on behalf of a voluntary or community organisation, then please provide the name of this organisation below:

To what extent do you either agree or disagree that Grant Aid is important?

(please select one answer)

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

The council wishes to retain its commitment to Grant Aid for the voluntary and community sector for the following reasons:

- A recognition of the importance of maintaining an independent sector that can act as a critical friend to challenge public sector policy and delivery.
- A recognition of the key role that the sector plays in building civic participation, providing a voice for seldom heard residents and providing community intelligence.
- A recognition of the great diversity of the sector and the need to engage with small and emerging groups as well as large established organisations.
- A recognition of the sector’s potential to take risks and innovate which does not sit easily within commissioning frameworks.
- A recognition that third sector organisations have been key delivery partners within Lewisham, including for a wide range of targeted short term initiatives. Grant aid provides a level of security for organisations ensuring that there is a strong sector able to address local need, attract additional resources and be ready to work in partnership with us.

Is there anything missing from the reasons bulleted above? If yes, please detail below:

Lewisham is proposing that £1,000,000 is saved from the current grants budget by undertaking a number of actions. These are listed below. Do you support each of these actions?

(please select one answer for each question)

	Yes	No
Remove funding from under-performing groups/those performing least well.	<input type="radio"/>	<input type="radio"/>
Negotiate reductions and seek alternative funding streams.	<input type="radio"/>	<input type="radio"/>
Work with groups to consider mergers or asset sharing.	<input type="radio"/>	<input type="radio"/>
Pro-rate reductions across all groups.	<input type="radio"/>	<input type="radio"/>

If you have any comments regarding these proposed actions, then please provide these below:

The proposed actions have been ranked in order of priority, from the highest priority to the lowest priority as follows:

- 1. Remove funding from under-performing groups / those performing least well.
- 2. Negotiate reductions and seek alternative funding streams.
- 3. Work with groups to consider mergers or asset sharing.
- 4. Pro-rata reductions across all groups.

Do you support this order of priority?

(please select one answer)

Yes

No

If you have any other comments regarding this order of priority, then please provide these below:

Can you suggest any further actions that could be undertaken to help achieve the saving of £1,000,000 from the current grants budget?

To what extent do you either agree or disagree that the current funding settlement is extended for a further year (to the end of March 2019) once the reductions to the grants budget have been made?

(please select one answer)

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Equalities impacts

We are undertaking an equalities assessment of the proposed approach to making the £1,000,000 saving.

What impact do you think this proposed approach could have on Lewisham residents by.....

(please select one answer for each question)

	Positive impact	Negative impact	No impact	Don't know
Age?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disability?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ethnicity?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gender?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gender reassignment?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pregnancy/maternity?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Religion/belief?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sexual orientation?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please add any comments that you may have in support of your answers to the above question:

Where you have identified any possible negative impacts, are there any actions you feel could be undertaken to mitigate these?



About you

This section is only relevant for individuals responding to this consultation in a personal capacity . If you are responding to this consultation in a professional capacity on behalf of a voluntary or community organisation, then please ignore.

The following monitoring questions help us to be fair and inclusive in the work that we do. All questions on the form are **voluntary** and you do not have to answer them.

The information that you do provide helps us to understand who is sharing their views and influencing our decision-making. It also helps us to ensure that nobody is discriminated against unlawfully.

Any information that you do choose to provide on this form will be treated confidentially in accordance with the Data Protection Act 1998.

Age

Please select your age group
(please select one answer)

- Under 18 years
- 18-24
- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- 60-64
- 65+
- I'd rather not say*

Ethnicity

What is your ethnic group?

(please select one answer)

White

English/Welsh/Scottish/Northern Irish/British

Irish

Gypsy or Irish Traveller

Any other White background

Mixed/Multiple Ethnic Groups

White and Asian

White and Black African

White and Black Caribbean

Any other mixed/ multiple ethnic background

Asian/Asian British

Chinese

Bangladeshi

Pakistani

Indian

Any other Asian background

Black/ African/ Caribbean/ Black British

African

Caribbean

Any other Black/ African/ Caribbean background

Any other ethnic group

Arab

Other ethnic group

I'd rather not say

Any other White background (please specify)

Any other mixed/ multiple ethnic background (please specify)

Any other Asian background (please specify)

Any other Black/ African/ Caribbean background (please specify)

Any other ethnic group (please specify)

Gender

Are you:

(please select one answer)

Male

Female

I'd rather not say

Transgender

Is your gender identity different from the gender you were assigned at birth?

(please select one answer)

Yes

No

I'd rather not say

Disability

Under the Equality Act 2010 a person is considered to have a disability if he/she has a physical or mental impairment which has a sustained and long-term adverse effect on his/her ability to carry out normal day to day activities. This also includes people with HIV, cancer and multiple sclerosis (MS).

Do you consider yourself to be a disabled person?

(please select one answer)

Yes No I'd rather not say

Please state the type of impairment that applies to you

People may experience more than one type of impairment, in which case you may indicate more than one. If none of the categories apply, please mark 'Other' and specify the type of impairment.

Please state the type of impairment that applies to you.

(please select all that apply)

Physical impairment, such as difficulty using your arms or mobility issues which means using a wheelchair or crutches

Sensory impairment, such as being blind/ having a serious visual impairment or being deaf/ having a serious hearing impairment

Mental health condition, such as depression or schizophrenia

Learning disability/difficulty, such as Down's Syndrome or dyslexia or cognitive impairment, such as autistic spectrum disorder

Long-standing illness or health condition such as cancer, HIV, diabetes, chronic heart disease or epilepsy

Other

Any other disability (please specify)

Religion and belief

(please select one answer)

- None
- Christian (all denominations)
- Buddhist
- Hindu
- Jewish
- Muslim
- Sikh
- Any other religion/ belief
- I'd rather not say

Any other religion (please specify)

Sexual Orientation

How would you define your sexual orientation?

(please select one answer)

- Straight/ heterosexual
- Gay/ lesbian
- Bisexual
- Other
- I'd rather not say

Any other sexual orientation (please specify)

Pregnancy & Maternity

Are you pregnant or on maternity leave?

(please select one answer)

Yes

No

Prefer not to say

Would you like to receive the Lewisham Life e-newsletter for local events and things to do, news, discounts and other consultations?

(please select all that apply)

Yes please

No thanks

If yes please provide your email address

Thank you

Thank you for taking the time to respond to this consultation.

As a reminder, once the consultation closes all responses will be considered and a summary of responses collated and included in a report to Mayor and Cabinet Contracts on 13 July 2016.

This report will seek approval for the approach to making savings with a further report recommending future funding levels taken to Mayor and Cabinet Contracts on 7 December 2016. This will allow for a full three months notice of any change in funding levels.

