

# Communities and Neighbourhoods Committee

10.00am, Tuesday 10 February 2015

## Corporate Governance Grants to Third Parties 2015/16: Proposals for Expenditure and Service Change

Item number 7.5

Report number

Executive/routine

Wards

### Executive summary

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This report seeks approval for continued investment in the city's third sector infrastructure, and sustainable food initiatives. The report also proposes changes in respect of future third sector infrastructure investment, and seeks approval for a new package of investment in equalities engagement and capacity building work.

### Links

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Coalition pledges P6, P11, P15, P28, P37, P53

Council outcomes CO7, CO8, CO10, CO11, CO14, CO23, CO26

Single Outcome Agreement SO1, SO2, SO3, SO4

## Corporate Governance Grants to Third Parties 2015/16: Proposals for Expenditure and Service Change

### Recommendations

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- 1.1 It is recommended that the Committee approve:
  - 1.1.1 the proposed package of in-principle grant investment for Edinburgh Voluntary Organisations Council, Volunteer Centre Edinburgh and Nourish for April 2015 to March 2016, with the provisions set out in item 3.5;
  - 1.1.2 proposals to co-produce service changes with regard to future council investment in third sector infrastructure; and
  - 1.1.3 proposals to establish a new equality and rights network, to seek applications from potential service providers, with a view to seeking approval of a grant to fund a service provider at this committee on 5 May 2015.

### Background

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- 2.1 Following the conclusion of the Council's review of Council grants to third parties in February 2014, this Committee agreed to transfer responsibility for all council grant programmes to the relevant Executive Committee, and that proposals for a small number of strategic partners receiving (possibly) five-year funding could be presented for organisations with a sector-wide reach and influence.
- 2.2 In line with this agreement, and the Better Outcomes through Leaner Delivery (BOLD) business case on payments to third parties for community services, this report seeks approval for a number of grant awards, subject to approval of the budget on 12 February 2015, from Corporate Governance for the Edinburgh Voluntary Organisations Council, the Volunteer Centre Edinburgh and Nourish.
- 2.3 This investment will support delivery of the Edinburgh COMPACT and City Volunteering strategies, and assist with the delivery of sustainable food initiatives aligned to the Edible Edinburgh Strategy. It will further strengthen links between the third sector and the Edinburgh Partnership, and Neighbourhood Partnerships. It will also enhance third sector engagement and co-production activities with regard to proposed new locality arrangements and other BOLD work streams, described in the 'Organising to Deliver' report agreed at Council on 11 December 2014, and the 'BOLD Business Cases' report agreed at Finance and Resources Committee on 15 January 2015.

- 2.4 The report also seeks approval for a new package of grant investment, over three years, to refresh, support and strengthen engagement and capacity building work with equality groups and communities, including groups involved in tackling poverty and inequality and promoting and protecting human rights.

## Main report

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### Current Corporate Governance Investment in Third Parties

- 3.1 In total, Corporate Governance currently invests £214,407 p.a. to third parties. Edinburgh Voluntary Organisations Council (EVOG) and Volunteer Centre Edinburgh (VCE) receive grant investment of £58,500 and £75,907 p.a. respectively. This enables third sector contributions with regard to delivery of the Edinburgh Partnership Community Plan, COMPACT and city volunteering strategy objectives, and Cooperative Capital objectives. Both organisations are in receipt of a three-year agreement 2013/16. In the last year key deliverables have included:

- establishment of the Compact Voice data collection initiative;
- support and development of third sector engagement in the Edinburgh Partnership Board and Neighbourhood Partnerships;
- support and development of various third sector networks, including involvement in key council commissioning projects;
- co-production of new grant programmes and establishment of strategic third sector BOLD roundtable events;
- increased volunteering in equalities and rights groups;
- maintenance of volunteering rates and opportunities ahead of other urban cities in Scotland; and
- co-production of the first 'State of the Sector Report' as considered in September 2014.

- 3.2 The grant to Nourish of £20,000 supports the outcomes of the Edible Edinburgh Partnership in coordinating delivery of the Edible Edinburgh Sustainable Food City Plan, the production of a local food growing strategy, and the development and launch of a city food charter. The organisation is currently in receipt of a one-year grant agreement. In addition, Edinburgh and Lothians Regional Equality Council receive £60,000 p.a. for work to mainstream equalities into strategic community planning arrangements, and provide capacity building services to equality third sector and community groups.

### Grant Expenditure Proposals for 2015/16

- 3.3 In line with standard council grant application practice, EVOG and VCE have submitted their proposed delivery targets to conclude the current three year grant agreement. Nourish have submitted a new funding application for grant funding for 2015/16. For the three organisations, proposed objectives include:
- assisting the Compact Board to develop a new Compact Strategy and Action Plan and related launch event in June 2015;

- strengthened third sector input into Edinburgh partnership activity, Cooperative Capital programme, BOLD and Organise to Deliver work streams;
- enhancing regular volunteering and wider active citizenship opportunities across localities and neighbourhoods;
- maintaining volunteering rates and opportunities as part of social cohesion activity; and
- in regards to Nourish, implementation of the food growing strategy and city food charter to help deliver the healthy eating outcomes of the sustainable food plan.

As proposals have been assessed as competent and in line with agreed objectives and best value, the following in principle awards are recommended for the 2015/16 period:

Applicant Organisation	2014/15 Grant (£)	2015/16 Requested Grant (£)	Proposed 2015/16 Award (£)	Proposed Commitment
Edinburgh Voluntary Organisations Council	58,500	58,500	58,500	Year 3 of 3
Volunteer Centre Edinburgh	75,907	75,907	75,907	Year 3 of 3
Nourish	20,000	20,000	20,000	One year only

3.4 Committee is asked to note the complementary Social Justice Fund Report on today's agenda which provides for additional investment in EVOC and VCE for discrete packages of general social inclusion work.

3.5 The total level of 2015/16 funding awards recommended in the report take account of proposals included within the proposed budget framework. While no reduction is proposed on this occasion for EVOC, VCE or Nourish, the recommendations remain provisional, pending confirmation of the total expenditure for payments to third parties as part of setting the Council's budget on 12 February 2015. Should any revision be required, any non-controversial adjustments to the allocations will be authorised by the Director of Corporate Governance, in consultation with the Convener.

#### Proposals for Change – Third Sector Infrastructure Support

3.6 While considering approval for the grant award for 2015/16, the Committee is also requested to consider the need to plan future investment packages for third sector infrastructure.

3.7 The Board of the COMPACT Partnership is currently preparing the next Compact Strategy 2015-20, and initial thinking suggests the following strategic outcomes:

- 3.7.1 improving data gathering from the third sector to improve awareness of the scale and value of the sector, through the COMACT Voice initiative;
  - 3.7.2 strengthening connectivity with the community plan outcomes 2015-18 and with community planning partnerships, especially Neighbourhood Partnerships;
  - 3.7.3 improving social and economic sustainability and resilience with a key focus on prevention, and tackling poverty and inequality issues;
  - 3.7.4 promoting co-production approaches and solutions, strengthening cooperative enterprise and the wider Cooperative Capital Framework; and
  - 3.7.5 reinforcing the need for social value, innovation, efficiency and supporting active citizenship.
- 3.8 A report outlining the Council's contribution to the next COMPACT strategy will come forward to this Committee in May 2015.
- 3.9 Commensurate with the decision highlighted at paragraph 2.1, and the emerging themes of the new COMPACT strategy highlighted at paragraph 3.7, it is proposed that both EVOC and VCE engage with the Council and other partners to co-produce a more detailed new work programme, upon which a new package of sustainable grant investment could be built.
- 3.10 The work programme should outline their respective contributions to outcomes and other action associated with:
- 3.10.1 the new Community Plan and related indicators for 2015-18;
  - 3.10.2 current Neighbourhood Partnership Plans 2015-18;
  - 3.10.3 the new Compact Strategy 2015-2020 and related outputs;
  - 3.10.4 a vibrant, responsive, efficient, effective, resilient and well-led third sector;
  - 3.10.5 the proposed new locality arrangements and all BOLD work streams; and
  - 3.10.6 improved data collection to ensure that the city's third sector contribution is included in the above activity.
- 3.11 A prominent feature of the report to be considered by Committee in October 2015 will be a description of the potential benefits of EVOC and VCE moving to 'strategic partner' status, and exploration of a move to a five year grant agreement, with robust annual reviews. If these matters are agreed, this arrangement would be the first of its kind in Scotland, and would be reflective of the mature strategic partnership working between the Council and these two leading third sector infrastructural organisations.

#### Establishing a New Equality and Rights Network (EaRN)

- 3.12 In September 2014 the former Policy Development and Review Sub-Committee considered a discussion paper which proposed the establishment of a new network to strengthen engagement and capacity building with equality groups in the city and across the Lothian region. This proposed new Lothian Equality Network (LEN) was to be developed in partnership with neighbouring local authorities and local community planning partners.
- 3.13 The Sub-Committee welcomed the proposed development of the network, and agreed that further work be undertaken with partners in order to bring forward practical proposals to deliver the new service, and to identify financial and other resource contributions.

- 3.14 This further work has clarified and strengthened partner support from NHS Lothian, Police Scotland – Edinburgh Division and ‘J’ Division, Fire and Rescue Service Scotland – Edinburgh Division, the Edinburgh Partnership Board Member for Equality and Rights, Queen Margaret University, Edinburgh College and Edinburgh Garrison. With regard to neighbouring local authorities, West Lothian Council has withdrawn from the project, due to the fact that they have existing arrangements for engagement and capacity building, and East and Mid Lothian Council’s require a further period to assess the extent of their engagement, but they remain very supportive. These partners comprise the EaRN Project Board.
- 3.15 The EaRN Project Board has now agreed the primary aim of the network is to ‘enable individuals, groups, organisations and communities of interest to work in partnership with public services to advance equality, promote human rights, and tackle inequality and poverty’. This aim is in line with Edinburgh Partnership Board’s agreement (March 2014) to strengthen work in this area, and the Council’s Communities and Neighbourhoods Committee’s (November 2014) and Corporate Policy and Strategy Committee’s (January 2015) decisions to better link these areas of work. A new name (The Equality and Rights Network – EaRN) has been proposed, as has a network charter and project specification, which describes service outcomes and grant outputs, alongside an application and assessment process. All of this information is attached at Appendix 1 for approval.
- 3.16 The total in principle financial sum available to support the new network (subject to approval of the Council budget on 12 February 2015 and contingent upon future budget allocations) is £45,000 p.a. for the period 2015/18, comprised of £40,000 from the Council’s Corporate Governance service and a £5,000 p.a. total contribution from the other community planning partners in the City.
- 3.17 It is important to note that the Council’s proposed financial contribution will be drawn directly from the current contract award to ELREC, which comprises £60,000 p.a. As the new EaRN Charter identifies a range of grant funded outcomes and outputs which are distinctly different in nature from the current contracted service, any extension of the existing contract with ELREC would be inappropriate. The main differences are (i) enhanced focus across all equality themes, (ii) new focus on groups involved in human rights work, (iii) new focus on groups involved in tackling poverty and inequality, (iv) new focus on website and network development and (v) strengthening links to proposed new locality arrangements described in the BOLD programme, , including improving links to neighbourhood partnerships.
- 3.18 The ELREC Board have been informed of these proposals, and whilst members have obvious concerns about this decision, ongoing engagement and a full equality impact assessment is being undertaken to ensure mitigation of any consequent negative impacts. One key finding to date is that the ELREC contract largely relates to strategic partnership work, so any potential withdrawal or reduction in funding will likely not lead to any major direct adverse affects on vulnerable service users. However, whilst ELREC has recently secured other funding awards, the Council funding does provide for core staff and premises costs, and therefore any potential funding reduction or withdrawal may have

negative organisational impacts. It should also be noted that ELREC can apply for the grant to deliver the new service

- 3.19 If the Committee agrees to this proposal, applications will be sought week commencing the 16 February 2015, with a closing date on 27 March 2015. The application process will be advertised on the COMPACT website and circulated across the Edinburgh Partnership. A panel of Board members and external advisors with relevant experience, chaired by the Edinburgh Partnership Board Member for Equality and Rights, will lead on the assessment of applications, which will use the criteria identified at Appendix 1, and complete the assessment by 9 April 2015. Approval for the grant award and service provider will be sought at the next committee on 5 May 2015.

#### Application of Social Clauses

- 3.20 It is suggested that in respect of future EVOC, VCE and EaRN grant applications, social clauses should be applied. In this regard, applications will be required to demonstrate the following elements (i) financial leverage generated by the investment (actual or equivalent), (ii) the creation of any new jobs, apprenticeships, internships or additional active citizenship activity, and (iii) other community benefits.

### **Measures of success**

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- 4.1 Submission of a report in May 2015 to seek approval for a new grant programme to form a new equalities and rights engagement and capacity building network and service.
- 4.2 Submission of proposals in October 2015 for a strengthened third sector infrastructure support service from April 2016 onwards.

### **Financial impact**

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- 5.1 Financial resources for the grants awards for EVOC, VCE and Nourish are contained within current budgets. Financial resources for the new equality network proposal are contained within current budgets and proposals, if approved, would create a saving of £20,000 for 2015/16. As indicated above, in total Corporate Governance currently awards £214,407 p.a. to third parties for community services. The proposed £20,000 saving equates to a 9.3% saving, which is in line with the BOLD payments to third parties business case of 10% savings. The remaining 0.7% will be found as a result of alterations to the remaining grants in 2016/17.

### **Risk, policy, compliance and governance impact**

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- 6.1 Any risks associated with the EVOC, VCE and Nourish grant delivery will be mitigated by regular grant monitoring arrangements.

- 6.2 Any risks associated with the development or delivery of the new equality and rights network will be mitigated through ongoing impact assessment, good project management at the EaRN Project Board and regular grant monitoring arrangements.
- 6.2 All proposed grant awards will be in line with existing council and Edinburgh Partnership policy commitments.

## Equalities impact

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- 7.1 The development and implementation of the new equality and rights network service will assist the Council to better deliver key equality and rights outcomes, and the Equality Act 2010 public sector equality duties to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations.

## Sustainability impact

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- 8.1 Proposals in the report enable the Council to meet the Climate Change (Scotland) Act 2009 public sector duties, and contribute to the delivery of Sustainable Edinburgh 2020 objectives, in particular the advancement of vibrant flourishing communities, social and economic wellbeing and an efficient and effectively managed city.

## Consultation and engagement

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- 9.1 Consultation and engagement activity relating to the above includes:
- Discussions with EVOC, VCE and Nourish during November and December 2014/15.
  - Discussions and correspondence with the ELREC Board since May 2014.
  - Meeting and correspondence with partners interested in supporting the new equality and rights network since May 2014.

## Background reading / external references

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[Bold business cases – delivering a lean and agile Council – Report to the Finance and Resources Committee of 15 January 2015;](#)

Community Empowerment (Scotland) Bill – current status

The Cooperative Capital Framework: Year Two Report – report to The City of Edinburgh Council, 20 November 2014

Proposal to Establish a Lothian Equality Network – report to the Communities and Neighbourhoods Policy Development and Review Sub-Committee of 23 September 2014

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## Links

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<b>Coalition pledges</b>	<p><b>P6</b> - Establish city-wide co-operatives for affordable childcare for working parents</p> <p><b>P11</b> - Encourage the development of co-operative housing arrangements</p> <p><b>P15</b> - Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors</p> <p><b>P28</b> - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well being of the city</p> <p><b>P37</b> - Examine ways to bring the Council, care home staff and users together into co-operatives to provide the means to make life better for care home users</p> <p><b>P53</b> - Encourage the development of Community Energy Co-operatives</p>
<b>Council outcomes</b>	<p><b>CO7</b> - Edinburgh draws new investment in development and regeneration</p> <p><b>CO8</b> - Edinburgh's economy creates and sustains job opportunities</p> <p><b>CO10</b> - Improved health and reduced inequalities</p> <p><b>CO11</b> - Preventative and personalised support in place</p> <p><b>CO14</b> - Communities have the capacity to help support people</p> <p><b>CO23</b> - Well engaged and well informed – Communities and individuals are empowered and supported to improve local outcomes and foster a sense of community</p> <p><b>CO26</b> – The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives.</p>
<b>Single Outcome Agreement</b>	<p><b>SO1</b> - Edinburgh's Economy Delivers increased investment, jobs and opportunities for all</p> <p><b>SO2</b> - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health</p> <p><b>SO3</b> - Edinburgh's children and young people enjoy their childhood and fulfil their potential</p> <p><b>SO4</b> - Edinburgh's communities are safer and have improved physical and social fabric</p>
<b>Appendices</b>	<p>Appendix 1 – The Equality and Rights Network (EaRN) Charter and Grant Funding Project Specification</p>

## **The Equality and Rights Network (EaRN) – Charter**

### **1. Vision**

The Equality and Rights Network (EaRN) aims to enable individuals, groups, organisations and communities of interest to work in partnership with public services to advance equality, promote human rights, and tackle inequality and poverty.

### **2. Introduction and Ethos**

The Network will enable public authorities to work in partnership with community and third sector groups and communities of interest across the themes of poverty, inequality, age, caring, children's rights, disability, faith / belief, gender re-assignment, human rights, pregnancy and maternity, race, sex, and sexual orientation.

EaRN members will have opportunities to be engaged in and consulted on developments and reviews in services, policies and practices, and equality impact assessments. There will be events for members, access to a website and other forms of information on relevant topics.

The ethos of the network will be to promote open dialogue amongst members, enabling members to have influence and to collaborate with each other to tackle issues of concern. Members will share information and best practice. Members will respect difference and diversity and commit to supporting each other. Members will commit to playing an active role in the network.

### **3. The Aims**

The EaRN aims to:

- tackle poverty and inequality;
- promote human rights;
- promote equality of opportunity;
- eliminate discrimination, victimisation and harassment;
- foster good relations;
- enable members to meet each other, share information and experiences and improve collaboration and cooperation to achieve common goals;
- give individuals and organisations opportunities to be involved in and influence public policy and service developments; and
- gather information and viewpoints on poverty, inequality, equality and rights issues to inform outcomes, plans and policies.

### **4. How to become a Member of EaRN**

Any group, partnership, forum, organisation, agency, company or individual interested in advancing equalities issues, tackling health inequalities, promoting rights-based work and tackling poverty can apply to join the network.

Anyone wishing to join must complete a membership application form and return it to:

**TBC – The Service Provider**

## **5. How will we report our achievements**

An EaRN annual report will be published. It will summarise and review progress and information on network membership and activities, and identify the main strategic issues raised via network activities.

This report will be sent to all members and there will be an annual meeting organised to discuss the report.

The EaRN will also report activities and progress into relevant community planning partnerships and Boards, and any internal member governance arrangements.

## **6. Governance Arrangements**

The EaRN is managed by a Board consisting of all funders, community planning partners. The organisation awarded the grant to develop and manage the network will attend and support Board meetings, but will not be a formal Board member.

In addition, as the network develops, members will be asked to join the Board to assist in the development of the network.

The chair of the Board will be elected by, and rotate between, the Board members on an annual basis.

Secretarial and administrative support will be provided by the grant funded organisation.

# The Equality and Rights Network

## Grant Funding - Project Specification

### 1. Background

- 1.1 The EaRN charter describes the context, ethos, aims and objectives and governance arrangements of the network, and should be read in conjunction with this Project Specification.

### 2. Outputs and Outcomes for Grant

- Recruit members and set up a network membership database that records relevant personal and organisational details (ensuring data protection requirements are met) that will provide for targeted information sharing and network activities.
- Develop a website for the network and associated publicity / branding / logos and social media.
- Organise launch events with associated publicity for the network.
- Develop links with strategic community planning partnerships and neighbourhood partnerships.
- Ensure that the network membership and activities cover poverty and inequality as well as equality and rights issues.
- Set up a system to gather information from members on key issues, as directed by the EaRN Project Board.
- Promote positive attitudes and foster good relations amongst members and ensure 'intersectional' work.
- Influence policy and service development of the Board member organisations.
- Enable the membership to influence the development of equalities impact assessment, equalities outcomes, procurement, mainstreaming and employment approaches.
- Run accessible events and other development initiatives for members of the network.
- Assist public agencies to develop meaningful and informed equality and rights outcomes.

- Provide access to the member's database for the EaRN Project Board Members and circulate information when advised/instructed in a targeted manner.
- Survey members on an annual basis on their satisfaction of the Network.
- Produce an annual report on the progress achieved by the Network.
- Work with Board members to seek additional funding and resources including organising staff or student placements to assist with the development of the EaRN.

### **3. Governance**

- The EaRN Board is comprised of NHS Lothian, Police Scotland – Edinburgh Division, Fire and Rescue Service Scotland – Edinburgh Division and 'J' Division, City of Edinburgh Council, Edinburgh Partnership Board Member for Equality and Rights, Queen Margaret University, Edinburgh College and Edinburgh Garrison. As the Network develops other members will be asked to sit on the Board to assist with development and activities.
- The EaRN project Board will provide all oversight and governance of the Network.
- The grant outputs have been developed and agreed by the Board and the Board will monitor performance of the grant funded organisation.
- The successful applicant will provide a secretariat and performance reporting function into the Board, in attendance and not as a member.
- Board meetings will be quarterly in the first year.

### **4. Funding**

- Funding will comprise of a grant in principle for three years (May 2015 – March 2018) with annual formal review cycle, and interim performance reports into the Board.
- Funding amounts p.a. will comprise £45,000 p.a. (£40,000 from City of Edinburgh Council and £5,000 p.a. from other EaRN partners).
- As identified, applicants, in partnership with the Board, will look to obtain additional funding and staff resources to assist with the development of the network.

### **5. Grant Application Assessment Process**

- The EaRN Board will establish a panel, drawn from its membership, to assess all applicants.
- They may be assisted by a number of external advisors.

- The Assessment Panel will score applications according to the following criteria:
  - Delivering grant outputs and outcomes, and establishing monitoring and evaluation arrangements – 60%
  - Financial budget for the project – 10%
  - Previous annual reports, constitution and any policies and procedures on equality and diversity, recruitment and selection, accessibility or other relevant matters to the grant – 5%
  - Proof that organisational ethos is aligned to EaRN charter – 5 %
  - Social Value, Consortium and partnership approaches - 20%
- The Assessment Panel will make a recommendation to the Board regarding the preferred grant applicant and then individual organisations may seek approval from their own internal governance arrangements.

## **6. Timescales**

- Opening date for applications Monday 16 February 2015, closing date for applications Friday 20 March 2015.
- Assessment completed by Friday 10 April 2015.
- Final grant award confirmed 5 May 2015.
- Project start date 11 May 2015.

## **7. Further Information**

For further information, please contact:

- Euan Renton, Corporate Policy and Strategy Officer - City of Edinburgh Council, email: [euan.renton@edinburgh.gov.uk](mailto:euan.renton@edinburgh.gov.uk) / Telephone: 0131 469 3981
- David Griffiths, Chief Executive - ECAS, email: [chiefexecutive@ecas-edinburgh.org](mailto:chiefexecutive@ecas-edinburgh.org) / Telephone: 0131 475 2344.