

	<p><b>London Borough of Hammersmith &amp; Fulham</b></p> <p><b>CABINET</b></p> <p><b>1 SEPTEMBER 2014</b></p>
<p><b>3<sup>RD</sup> SECTOR INVESTMENT FUND ALLOCATION REPORT</b></p>	
<p><b>Report of the Cabinet Member for Social Inclusion: Councillor Sue Fennimore</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification:</b> For Decision  <b>Key Decision:</b> Yes</p>	
<p><b>Wards Affected:</b> All</p>	
<p><b>Accountable Executive Director:</b> Jane West, H&amp;F Executive Director for Finance and Corporate Services</p>	
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**1. EXECUTIVE SUMMARY**

- 1.1 The Council is fully committed to supporting the 3<sup>rd</sup> sector in Hammersmith & Fulham and understands the significant contribution that the services provided make to the social fabric of our borough. The new administration will strengthen the relationship with the 3<sup>rd</sup> Sector and will work in closer partnership around a shared objective of promoting social inclusion and improving the lives of our residents.
- 1.2 The 3<sup>rd</sup> Sector Investment fund provides funding for services areas across eight categories:
- Infrastructure
  - Children, Young People & Families
  - Economic Development
  - Health & Wellbeing
  - Safer Communities
  - Arts, Culture & Sport
  - Environment & Community Transport
  - Homelessness Prevention & Home Safety

- 1.3 The entire 3SIF budget was last tendered in 2010-11, with these contracts due to expire on 30 November 2014. This report seeks agreement to fund 54 services for an initial 18 month term, during which time the Council will review the service specifications, funding support and performance of funded services to ensure they robustly support the priorities of the Council and the needs of local residents.
- 1.4 The likely outcomes at the end of this review period are:
- a. Some services are considered to be meeting local priorities and the funding term will be extended (for maximum 12 month periods, but not beyond March 2018).
  - b. Some services are considered likely to be able to deliver local priorities with some adjustments, which can be incorporated within the organisation's contract, and therefore the funding term will be extended with revised targets/outputs (for maximum 12 month periods, but not beyond March 2018).
  - c. Some services are considered not to be delivering key local priorities. In these cases, the funding term will not be extended and this funding will be retendered against a revised service specification.
  - d. The balance of 3SIF will be used to commission additional services, with new service specifications drawn up which reflect the priorities of the Council which may not be sufficiently addressed within the current service specifications.

## **2. RECOMMENDATIONS**

- 2.1 That funding of 54 services for the period December 2014 until May 2016 (18 months) be approved:
- 2.1.1 £463,500 investment in Infrastructure services
  - 2.1.2 £882,701 investment in Children, Young People & Families services, including funding for a number of services commissioned by Children's Services which are delivered by 3<sup>rd</sup> sector organisations and will contribute to the delivery of the specification outcomes.
  - 2.1.3 £760,000 investment in Economic Development services, including consideration of additional employment support services needed for local residents.
  - 2.1.4 £772,834 investment in Health & Wellbeing services.
  - 2.1.5 £365,084 investment in Safer Communities services, including £145,833 contribution to Tri-Borough commissioning of VAWG services, or funding of local domestic violence services from April 2015.
  - 2.1.6 £517,501 investment in Arts, Culture & Sport services.
  - 2.1.7 £192,191 investment in Environment & Community Transport services, with the Community Transport service recommended for funding (and its associated budget moved to Infrastructure).
  - 2.1.8 £202,500 investment in Homelessness Prevention & Home Safety services.

- 2.1.9 That extension of funding agreements beyond May 2016 will be subject to a review of 3<sup>rd</sup> Sector Support, 3SIF service specifications and performance of funded groups.
- 2.2 That a number of services funded under 3SIF be identified and developed to pilot a social investment approach.
- 2.3 That further investment be made in the annual Fast Track Small Grant scheme.
- 2.4 That the balance of the 3<sup>rd</sup> Sector Investment Fund be tendered for additional services that contribute to delivering the priorities of the Administration; and
- 2.5 That authority be given for this funding to be awarded by the Cabinet Member for Social Inclusion in conjunction with the Executive Director for Finance and Corporate Services and with the relevant Cabinet Member(s).
- 2.6 That part of the balance of 3SIF from 2014-15 be carried forward to 2015-16.

### **3. REASONS FOR DECISION**

- 3.1 The allocation of funding follows an open tendering process, which requires authority from Cabinet, as the decision affects all wards and is in excess of £100,000 per year.

### **4. INTRODUCTION AND BACKGROUND**

- 4.1 The Council views the 3<sup>rd</sup> Sector as key delivery agents in improving the lives of our residents and creating a more inclusive, prosperous and healthier borough. The Council's new Administration is determined to strengthen this partnership and make sure that the services provided are even more effective and reach as many people as possible. The Council's two main funding programmes for the sector are as set out in the 3<sup>rd</sup> Sector Strategy, the 3<sup>rd</sup> Sector Investment Fund and Fast Track Small Grants scheme, though it is noted that in addition to this, some 3<sup>rd</sup> sector organisations are contracted to provide services from other funding streams or Council budgets and that these amounts may be significant.
- 4.2 The 3<sup>rd</sup> Sector Strategy sets out:
- Eligibility criteria for funding support
  - A focus on outcomes and evidencing benefits to residents
  - The proposed funding term
  - The return on our investment – expected broader activities and outcomes
- 4.3 The strategy sets out the Council's approach of competitively tendering the 3<sup>rd</sup> sector Investment Fund to avoid stagnation in service delivery and

design, and lack of opportunity for new groups with innovative service ideas to secure funding support.

- 4.4 This report recommends a range of services for funding across the service areas of:
- Infrastructure
  - Children, Young People & Families
  - Economic Development
  - Health & Wellbeing
  - Safer Communities
  - Arts, Culture & Sport
  - Environment & Community Transport
  - Homelessness Prevention & Home Safety
- 4.5 The report also recommends that a number of services are identified and developed to pilot a social investment approach, which if successful could lead the development of a social investment approach across other Council services and departments.
- 4.6 The report recommends additional investment into the Council's existing Fast Track Small Grants scheme, to maximise the provision of low level services and projects that are likely to significantly address local issues and needs.
- 4.7 This report seeks approval that the balance of the 3<sup>rd</sup> Sector Investment Fund be allocated through the Community Investment Team, with delegated authority granted to the Cabinet Member for Social Inclusion in conjunction with the Executive Director of Finance and Corporate Services.

## **5. CONTEXT**

- 5.1 The 3<sup>rd</sup> Sector Investment Fund is a centralised corporate budget. It is allocated across the service areas listed above, and each service area is tendered against a service specification which clearly sets out the criteria and desired outcomes.
- 5.2 The ongoing allocation and management of 3SIF, the financial investment, including leading tendering processes, monitoring and evaluation and overall financial management of the budget is undertaken by a corporate Council team: Community Investment, which is managed through Finance and Corporate Services.
- 5.3 It is well known that local government is facing a very tough future – with unprecedented levels of savings being found over recent years, with the trend expected to continue for some time to come. The Council is making every effort to reduce costs while protecting services.
- 5.4 The overall 3SIF budget available for funding from December 2014 to March 2015 is £817,288 (the budget for the full financial year being £2,633,482). Savings will be delivered on the budget, totalling £804,000 by March 2018.
- 5.5 However, additional funding for the scheme is anticipated from Public Health. A decision is due to be made by Cabinet on 1 September 2014

regarding three funding applications made to Public Health for a cluster of services being considered as part of the 3SIF programme. The application reflects the very close alignment between Public Health priorities in Hammersmith & Fulham and 3<sup>rd</sup> Sector groups delivering services. The three applications are:

- 5.5.1 Health & Wellbeing, including funding applications submitted under 3SIF Health and Wellbeing.
  - 5.5.2 Fit For The Future: including funding applications submitted under Children, Young People & Families, Environment & Community Transport and Arts, Culture & Sport
  - 5.5.3 Advice & Opportunity, including funding applications submitted under Economic Development, Children, Young People & Families (Action on Disability Welfare Benefits service) and Homelessness Prevention & Home Safety.
- 5.6 Whilst savings on the 3SIF budget are proposed from the commencement of new contracts (an overall 30% reduction to be achieved on the budget from December 2014 until March 2018), additional investment from Public Health will result in a net increase of the funding available to be allocated under the 3SIF process.
- 5.7 In addition, the Council will make every effort to seek out and secure further funding streams to support 3<sup>rd</sup> sector activities.

## 6. APPLICATIONS RECEIVED

- 6.1 Each specification sets out the outcomes that the Council wishes to achieve through the 3<sup>rd</sup> Sector Investment Fund. Following the launch of the Fund, briefings were held with the sector on each of the specifications, in order to ensure that organisations understood the outcomes being sought and the process for submitting an application.
- 6.2 By the closing deadline, 92 applications had been received in accordance with the requirements set out in the application form and guidance notes.

Service area	no. of applications	value of applications*
Infrastructure	5	£1,410,381
Children, Young People & Families (including 5 applications for existing commissioned services – aka “substitution funding”)	31	£5,797,569
Economic Development	6	£2,767,303
Health & Wellbeing	19	£3,572,011
Safer Communities	13	£2,519,155
Arts, Culture & Sport	7	£1,853,071
Environment & Community Transport	6	£986,053
Homelessness Prevention & Home Safety	5	£1,069,438
	<b>92</b>	<b>£19,974,981</b>

*\*for the full funding term of November 14 to March 18*

## **7. RECOMMENDATIONS: GUIDING PRINCIPLES**

- 7.1 Officers are recommending in most cases a lower level of funding than organisations have requested. Consideration has been given to determining which services will deliver the key priorities of the new Administration, with some services offered a higher proportion of the level of funding requested than others, where the service is likely to deliver a key priority for the Council.
- 7.2 Funding recommendations are detailed in Appendix 1a-h and Appendix 3 and summarised below under each service area. All applications recommended for funding are likely to contribute in a variety of ways to the economic, environmental and social well-being of the borough and support the Community Strategy.
- 7.3 Officers recommend that authority to allocate the balance of the 3<sup>rd</sup> Sector Investment Fund be delegated to the Cabinet Member for Social Inclusion in conjunction with the Executive Director for Finance and Corporate Services and in consultation with the relevant Cabinet Member.
- 7.4 **Recommendation 2.1:** Officers recommend funding to 54 services for the period December 2014 until May 2016, during which time the Council will review the service specifications, funding support and performance of funded services to ensure they robustly support the priorities of the Administration and the needs of local residents.
- 7.5 The likely outcomes at the end of this review period will be:
- a) Some services are considered to be meeting local priorities and the funding term will be extended (for periods of up to 12 months , but not beyond March 2018).
  - b) Some services are considered likely to be able to deliver local priorities with some adjustments, which can be incorporated within the organisations contract, and therefore the funding term will be extended with revised targets/outputs (for periods of up to 12 months , but not beyond March 2018).
  - c) Some services are considered to not be delivering key local priorities. In these cases, the funding term will not be extended and this funding will be retendered against a revised service specification.

## **8. RECOMMENDATIONS: INFRASTRUCTURE**

- 8.1 5 applications were received under the Infrastructure service area, with a total value of £1,410,381 over the period from November 14 to March 18. 2 applications sought funding to run a community centre, 3 sought funding to deliver infrastructure services to local 3<sup>rd</sup> sector organisations.
- 8.2 Officers recommend funding all 5 applications. Over the funding term of December 2014 to May 2016, the Council will work with infrastructure providers to consider the most effective model of infrastructure support to the sector, and how this might be delivered.
- 8.3 Ongoing funding for the core infrastructure services will be based on the implementation of the revised and agreed model.

- 8.4 **Recommendation 2.1.1:** Officers recommend £463,500 investment in Infrastructure services from December 2014 until May 2016. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

## 9. RECOMMENDATIONS: CHILDREN, YOUNG PEOPLE & FAMILIES

- 9.1 26 applications for funding were received under this service area, with a total value of £5,797,569 over the period of November 14 to March 18. 5 additional requests for funding were made by Children's Services Department, for continued 3SIF funding for services, delivered by 3<sup>rd</sup> sector organisations, which will deliver service specification priorities.
- 9.2 Children's services will undertake a review of all 3<sup>rd</sup> sector youth provision during the first 16 months of the funding term to determine the model and allocation of funding for these type of services in the future.
- 9.3 Officers recommend funding to 18 local organisations, delivering services to a broad range of children, age 0-19, plus disabled children and young adults, and a range of activities targeted at particular age clusters.
- 9.4 **Recommendation 2.1.2:** Officers recommend £882,701 investment in Children, Young People & Families services from December 2014 until May 2016. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

## 10. RECOMMENDATIONS: ECONOMIC DEVELOPMENT

- 10.1 6 applications for funding were received under this service area, with a total value of £2,767,303 sought over the period November 14 to March 18.
- 10.2 The services identified for prioritisation will deliver a range of legal advice services, focusing on debt, financial capability and social/welfare matters.
- 10.3 Two services are recommended for funding to deliver specialist employment support services which will target the cohort of residents considered to be furthest from the employment, education and training market. Another organisation will be funded to provide entrepreneur support services, working with local residents to stimulate and support individuals to start their own businesses.
- 10.4 Funding is allocated to retender for employment support services which will meet gaps in current provision. Officers will draw up a service specification with the intention of commissioning services from early in the 15-16 financial year.
- 10.5 **Recommendation 2.1.3:** Officers recommend £760,000 investment in Economic Development services from December 2014 until May 2016. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

## 11. RECOMMENDATIONS: HEALTH & WELLBEING

- 11.1 19 applications for funding were received under this service area, with a total value of £3,572,011 sought over the period of November 14 to March 18.
- 11.2 Officers recommend funding to 12 organisations, which will collectively deliver a broad range of befriending, practical support, social and physical activities.
- 11.3 **Recommendation 2.1.4:** Officers recommend £772,834 investment in Health & Wellbeing services from December 2014 until May 2016. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

## 12. RECOMMENDATIONS: SAFER COMMUNITIES

- 12.1 13 applications for funding were received under this service area, with a total value of £2,519,155 over the period of November 14 to March 18.
- 12.2 Officers recommend funding to 6 organisations, which will collectively deliver a broad range of measures aimed at addressing ASB, crime and fear of crime and will target particular cohorts at risk of becoming perpetrators of crime. One service will support ex-offenders, and one will work with young people at high risk of engaging in gang/criminal activities.
- 12.4 A number of applications were received under three different service areas, for the provision of domestic violence related services in the borough. The Council is currently considering a Tri-Borough approach to commissioning Violence Against Women & Girls services, and if this proceeds, funding from the 3<sup>rd</sup> Sector Investment Fund will contribute to this budget to commission H&F based preventative domestic violence services. Should the Tri-Borough VAWG commissioning proposal not proceed, officers will review the applications received for Domestic Violence (across three service areas) and make a recommendation for services to be funded commencing from April 2015.
- 12.5 **Recommendation 2.1.5:** Officers recommend £365,084 investment in Safer Communities services, including a contribution to Tri-Borough commissioning or local funding of VAWG services, from December 2014 until May 2016. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

## 13. RECOMMENDATIONS: ARTS, CULTURE & SPORT

- 13.1 7 applications for funding were received under this service area, with a total value of £1,853,071 over the period November 14 to March 18.
- 13.2 The Administration is highly supportive of sustaining the Arts in the borough. The council supports a broad range of arts culture and sports



related activities through the Fast Track Small Grants programme, and is keen to offer further encouragement and support (both financial and in kind) to local groups delivering arts related projects.

- 13.3 Officers recommend funding to 4 organisations, which will collectively deliver a broad range of services which contribute to the legacy of arts and sports in the borough. Services include resourcing a volunteer led Neighbourhood Centre and Library, a theatre, a museum and a comprehensive sports programme for young adults to be delivered on five local housing estates.
- 13.4 **Recommendation 2.1.6:** Officers recommend £517,501 investment in Arts, Culture & Sport services from December 2014 until May 2016. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

#### **14. RECOMMENDATIONS: ENVIRONMENT & COMMUNITY TRANSPORT**

- 14.1 6 applications for funding were received under this service area, with a total value of £986,053 over the period from November 14 to March 18.
- 14.2 Officers recommend funding to 4 organisations which will provide a Community Transport service, and services which promote green issues, parks and open spaces.
- 14.3 Officers recommend the Community Transport element of this service be transferred to the Infrastructure service area, as the service is provided to 3<sup>rd</sup> sector groups rather than to individual residents. Particular priority will be given to working with the Community Transport provider to ensure that the service effectively supports local groups and residents of the borough. The council will proactively seek ways in which a mixed range of sustainable, affordable community transport can be provided in the borough.
- 14.4 **Recommendation 2.1.7** Officers recommend £192,191 investment in Environment & Community Transport services from December 2014 until May 2016 and the transfer the Community Transport element of this service area and associated budget to the Infrastructure service area. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

#### **15. RECOMMENDATIONS: HOMELESSNESS PREVENTION & HOME SAFETY**

- 15.1 5 applications for funding were received under this service area, with a total value of £1,069,438 over the period of November 14 to March 18.
- 15.2 Support for residents on housing and homelessness matters is a key priority for the new Administration and officers will seek to identify further opportunities for funding and support which could be levered into the borough to support this agenda.

- 15.3 Officers recommend funding to two organisations. One of these will deliver housing advice and casework to support local residents at risk of homelessness, encouraging them to consider the broadest possible range of housing options, and work with the Council to develop a process by which individual cases and emerging trends can be constructively approached.
- 15.4 The second service will provide a range of home safety measures for vulnerable adults and families, including health and safety assessments and measurers to ensure residents safety in their homes. However, the Council is keen to ensure that wherever possible, landlords are reminded of their obligations and encouraged to support their residents to maintain their health and safety in their home. Work will be undertaken within the Council to look at how landlords (both the local authority, RSLs and private landlords) might be encouraged and better supported to more effectively support their vulnerable tenants. Ongoing funding for this service beyond March 2016 will therefore be subject to progress in this area.
- 15.5 **Recommendation 2.1.8:** Officers recommend £202,500 investment in Homelessness Prevention & Home Safety services from December 2014 until May 2016. Extension of contracts and/or future funding will be subject to the Council's review of 3SIF and how it is allocated to deliver the best support for the sector and the best outcomes for residents.

## 16. IMPACT OF THE RECOMMENDATIONS

- 16.1 87 applications from organisations were received from 65 organisations, with a further 5 requests for funding for existing commissioned Children's Services.
- 16.2 54 services are recommended for funding.
- 16.3 On average, successful organisations will receive 70% of the level of funding they requested.
- 16.4 10 currently funded services are not recommended for funding.
- 16.5 12 organisations will receive funding which is close to their current funding level.
- 16.6 10 organisations will have a reduction within approximately 20% of their current level of grant funding.
- 16.7 8 services which are currently funded did not apply for funding, and therefore funding for the service will cease in October 2014.
- 16.8 11 services will receive an increase compared to their current funding level.
- 16.9 16 services, previously unfunded are recommended.
- 16.10 **Likely impact:** A full Equalities Impact Assessment has been conducted and is attached to this report (Appendix 4).
- 16.10.1 Infrastructure: Services will offer core infrastructure support around managing 3<sup>rd</sup> sector organisations, fundraising, policy and quality assurance, volunteering and financial management.
- 16.10.2 Economic Development: Services will provide a range of advice, financial capability training, and entrepreneur skills with some employment

services targeted at a NEETS, traditionally considered furthest from the employment market. Overall, services aim to support those in work to remain in work, and those who are out of work to move closer to the employment market. There were insufficient good quality applications offering generalist employment/employability support services for local residents, and officers are recommending that this element of the service be retendered.

- 16.10.3 Health & Wellbeing: Services are likely to benefit over 1,500 over the initial 18 month funding term. The majority of services will target older isolated residents, disabled people and those with long term health conditions. The majority of services will provide peer support, social activities and befriending services, which may prevent a need for more costly statutory services in the future.
- 16.10.4 Safer Communities: Services are likely to benefit around 2,000 residents over the initial 18 month funding term, with a range of services including preventative work in schools, educating young people on the real consequences of crime and anti-social behaviour. Domestic Violence services have not been prioritised for funding, as 3SIF funding for services of this nature is being tendered through the Tri-Borough Violence Against Women & Girls commissioning process. Should the Tri-Borough VAWG commissioning process not go ahead, officers will reconsider the applications submitted (across 3 service areas) and recommend local domestic violence services for funding from April 2015.
- 16.10.5 Arts, Culture and Sport: around 20,000 people are likely to benefit from this cluster of services over the initial 18 month funding term. This is in large part due to the large numbers of residents likely to benefit from activities provided by Lyric Theatre, but also includes investment in a comprehensive sports programme for young people, and investment in the William Morris Society, ensuring this creative and delightful local museum continues to thrive.
- 16.10.6 Environment & Community Transport: Services are likely to benefit more than 10,000 individuals over the initial 18 month funding term, with a combination of volunteer gardening, environmental education programmes and community transport services
- 16.10.7 Homelessness Prevention & Home Safety: Services aim to help avoid homelessness, and ensure older and vulnerable people remain safe in their homes. More than 2,500 local residents are expected to benefit from specialist advice service during the initial 18 month funding term, plus practical intervention services in people's homes.

## **17. SOCIAL INVESTMENT**

- 17.1 Social investment is the broad term used to describe funding arrangements for programmes addressing social issues that offer an alternative to normal commissioning arrangements or grant aid. It is attractive to investors such as charities and foundations trusts, as it offers a potential financial return on the investment, unlike the more conventional grant award. It is attractive to commissioners as it tends to focus more on outcomes than service provision

and can attract external investors. In any social investment programme there is commonly a three way relationship between the investor, the commissioner and the service provider. Many foundations and charities that were previously grant aiding social programmes are finding that the process of drawing up social impact bonds and payment by results agreements is engaging them much closer in the assessment of how the projects they fund can best deliver success.

- 17.3 Over £3 million is presently invested in the third sector in H&F. This existing Council budget, alongside mainstream service budgets, provides the potential funds from which to resource social investment in the borough, either as investment funding or as financial returns to other investors.
- 17.4 It is proposed that the 3<sup>rd</sup> Sector Investment Fund be the focus for exploring the potential for social investment in H&F, and options for introducing new investors and strengthening the focus on outcomes, thereby attracting financial returns for the sector from other sources.
- 17.5 **Recommendation 2.2:** Officers recommend that a number of services funded under 3SIF are identified which might best lend themselves to piloting social investment.

## **18. RECOMMENDATION: ADDITIONAL INVESTMENT IN FAST TRACK SMALL GRANTS**

- 18.1 The LBHF Fast Track Small Grants scheme is administered by the Community Investment Team, and offers a rolling programme of small grants (of up to £5k, and in some cases where additional criteria are met, up to £10k), for one-off funding to deliver local activities and services for local residents. Priority for Fast Track Small Grants is given to organisations not funded under the 3<sup>rd</sup> Sector Investment Fund, and has traditionally funded a range of local, small projects and activities that deliver local services for local residents. Fast Track has funded a wide range of equipment and services, including local 5-a-side football leagues, festivals and events to promote and celebrate the arts, older people and local communities, facilities for local environmental projects such as balcony gardening, equipment for activity centres and befriending/lunch clubs.
- 18.2 Fast Track Small Grants offers a small amount of funding with minimal monitoring and evaluation requirements, enabling smaller groups, often those which operate with less than 1 full time member of staff, and maximising use of volunteers to make a small amount of funding go a long way. Fast Track Small Grants is always oversubscribed, and many organisations submit good quality funding applications but due to the limitation of funding available, cannot be awarded a grant.
- 18.3 **Recommendation 2.3:** Officers recommend further investment in the Fast Track Small Grant scheme. The scheme will require organisations to provide open access services that are available to the widest range of local residents, and successful organisations will be required to provide marketing materials that the council can use to publicise the service and encourage take up of the service. Monitoring of the services will require (where appropriate and viable) more qualified information to be provided, including

numbers of unique users and numbers of individuals who were new to the service. Officers anticipate a greater range of local services to be funded, which would be actively publicised across the borough, and services would be prioritised which could evidence sustainable activities beyond the duration of the grant term.

## **19. RECOMMENDATION: 3<sup>RD</sup> SECTOR INVESTMENT FUND BALANCE**

- 19.1 **Recommendations 2.4 and 2.5:** Officers recommend that balance of the 3<sup>rd</sup> Sector Investment Fund be retendered for additional services that contribute to delivering the priorities of the Administration. Authority is sought for this funding to be awarded through Delegated Authority to the Cabinet Member for Social Inclusion in conjunction with the Executive Director for Finance & Corporate Services and with the relevant Cabinet Member(s). Officers recommend allocation of approximately £100,000 of the balance of 3SIF for 2014-15 through the Council's Fast Track Small Grants scheme.
- 19.2 **Recommendation 2.6:** Officers recommend that part of the balance of 3SIF from 3014-15 be carried forward to 2015-16 for commissioning additional services.

## **20. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES**

- 20.1 The proposed grants budget is detailed in Appendix 2 and summarised in Table 2. Overall net growth is proposed in each year when compared against the original 2014/15 budget.
- 20.2 The budget growth arises from new Public Health funding<sup>1</sup> which more than offsets reductions in Hammersmith and Fulham General Fund contributions. The saving in the Hammersmith and Fulham contributions (£0.804m per annum by 2017/18) will be taken account of within the Medium Term Financial Strategy process.

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<sup>1</sup> Subject to Cabinet Approval

**Table 2 – 2014/15 to 2017/18 Grants Budget**

	2014/15 Original	2014/15 Revised	2015/16	2016/17	2017/18
	£'000s	£'000s	£'000s	£'000s	£'000s
Gross Budget	3,002	3,398	3,623	3,402	3,205
Increase against 14/15 Original Budget		396	621	400	203
<b>Reason for Increase:</b>					
Public Health Funding		486	975	991	1,007
Saving in LBHF General Fund contribution		(90)	(354)	(591)	(804)

20.3 The report proposes that any in-year underspend in the grants budget be carried forward to the following year. This will need to be actioned as part of the normal year-end procedures with appropriate approval by Members.

## **21. COMMENTS OF THE DIRECTOR OF LAW**

21.1 The Council's power to award the funding recommended in this report is contained in section 1 of the Localism Act 2011 which allows the Council to do anything that individuals generally may do, in particular if it is carried out for the benefit of the Council, its areas or persons, resident or present in its area.

21.2 In awarding funding, the Council is obliged to follow a fair and transparent process. The process followed is set out in the body of the report and officers are of the view that it has been carried out in a fair and transparent manner.

21.3 Legal Services will be available to assist the client department with finalising the agreements with the organisations.

21.4 Implications completed by Kar-Yee Chan, Solicitor (Contracts), Bi-Borough Legal Services, 020 8753 2772

## 22. COMMENTS FROM THE HEAD OF PROCUREMENT

- 22.1 To ensure value for money and to meet its wider objectives, the Council supports the development of a diverse and competitive range of suppliers including the third sector. This programme will help support the development of a strong third sector and the achievement of wider corporate priorities and is supported.
- 22.2 As the funding relates specifically to grants rather than the award of service contracts, there are no direct procurement implications.
- 22.3 Implications completed by Francis Murphy, Head of Procurement, Finance and Corporate Services, 020 8753 2211

### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	3 <sup>rd</sup> Sector Strategy	Sue Spiller ext 2483	FCS, HTH
2.	Equalities Impact Assessment	Sue Spiller ext 2483	FCS, HTH
3.	3SIF application pack	Sue Spiller ext 2483	FCS, HTH
4.	3SIF assessment process	Sue Spiller ext 2483	FCS, HTH

#### **List of Appendices**

Appendix 1a	assessment summary Infrastructure
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Appendix 1f	assessment summary Arts, Culture & Sport
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