

Committee: Financial Monitoring Task Group

Date: 14 January 2020

Wards: All

Subject: Allocation of grants through the Strategic Partner Programme

Lead officer: Caroline Holland, Director of Corporate Services
Hannah Doody, Director of Community and Housing

Lead member: Councillor Edith Macauley, Cabinet Member for Voluntary Sector, Partnerships and Community Safety
Councillor Tobin Byers, Cabinet Member for Adult Social Care, Health and the Environment

Contact officer: John Dimmer, john.dimmer@merton.gov.uk; 020 8545 3477

Recommendations:

- A. That the Financial Monitoring Task Group note the allocation of funding for each of the five elements of the Strategic Partner Programme 2019-22 as set out at Appendix I.
 - B. That the Financial Monitoring Task Group discuss and comment on the development of the expanded 2019 programme and the process for allocating funding.
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out the funding principles and the processes followed for the Strategic Partner Programme, alongside information on the level of grants funding allocated to the Voluntary and Community Sector (VCS) in 2019-22.

2. BACKGROUND

- 2.1 The aim of Strategic Partner Funding has historically been to provide core funding to VCS organisations that undertake a strategic role in the borough. This includes umbrella bodies representing other VCS groups, support services for the VCS, or cross-cutting services that do not fall into service department funding categories, in particular community advice services.
- 2.2 In July 2017 Cabinet agreed that a future Strategic Grants programme be based on a commissioning approach, with specifications being developed with the voluntary sector and partners. It was proposed that current departmental grants for advice services and voluntary sector support would be reviewed and where possible consolidated into a single pot. The perceived advantages of this approach were:
 - greater economies of scale by including all Council spend on these types of services;
 - a range of stakeholders including the VCS, partners, service users and Council would be involved in drawing up the specifications to ensure

different viewpoints and ideas on how best to commission these services were considered; and

- specifications that reflect the priorities agreed by Cabinet to ensure that resources are targeted to those priorities and that future monitoring ensures that outputs are delivered in line with the specification.

- 2.3 Cabinet agreed that funding would be maintained at the current level for 2018/19 – 21 with a view to supporting Strategic Partners to put in place a long term sustainable funding base. Cabinet also agreed to a grant based programme to maximise joint working with the voluntary and community sector.
- 2.4 Following the subsequent work undertaken to pool or align other relevant departmental grants as outlined later in this report, Cabinet further agreed on 17 September 2018 an expanded Strategic Partner programme comprising of five elements:
- Information and Advice provision;
 - Voluntary Sector Infrastructure Support;
 - Wellbeing Services;
 - Carers Services; and
 - Healthwatch Merton
- 2.5 Each element had a separate funding pot and there was no reduction in funding. Merton Council has been one of only a handful of boroughs not to cut funding for these services.
- 2.6 Cabinet also agreed the [Strategic Partner Programme Prospectus](#) that formed the basis of the criteria used to select the strategic partners and approved the scoring methodology and weighting to assess providers. Organisations could bid to more than one funding pot but submit separate applications. Consortia bids were allowed.
- 2.7 A total of 15 voluntary organisations received funding through the Strategic Partner programme, with funding for Round 1 and 2 totalling £3,858,059. The agreed Strategic Partners 2019-22 and allocated funding from this programme are set out in Appendix I.

3. DETAIL

Collaborative Approach

- 3.1 From the start of the recommissioning process it was clear a co-produced approach involving a range of stakeholders including the VCS would be beneficial, as it would ensure different viewpoints and ideas on how best to commission services were considered. The VCS had asked to be involved in the process and subsequently were able to offer insights which informed the final Prospectus.
- 3.2 The recommissioning process was launched with a workshop at Vestry Hall in November 2017, which was attended by approximately 50 voluntary and public sector representatives. The outputs from the workshop have formed the basis of a number of working papers to inform development of the funding prospectus.

- 3.3 A task and finish 'Collaborative Working Group' drawn from attendees at the workshop was subsequently set up, which included representatives from across the Council, CCG, and voluntary sector. Meetings were co-chaired between Hannah Doody (the CMT lead for the voluntary sector) and Suzanne Hudson (Chief Executive of Citizens Advice Merton and Lambeth – the largest advice provider in the borough). In addition, the group had nominated leads for data/needs analysis, engagement/consultation, and best practice to ensure shared ownership and constructive working across the group.
- 3.4 The Collaborative Working Group met on five occasions in total. Discussion in this group was lively and passionate and helped to develop a series of papers outlining the main issues and ways forward with regards to the provision of information, advice, wellbeing support and support to the sector. The outcomes identified by the group formed the basis for the development of the specifications. The group also developed a set of Values and Principles to inform the working relationship between the new Strategic Partners.
- 3.5 The Collaborative Working Group has been considered as best practice for its successful approach to collaborative working.

Mapping of needs and demand

- 3.6 In developing the draft funding prospectus a needs analysis was undertaken and two surveys were developed which gathered the views of the voluntary and community sector and its service users over the previous two years.
- 3.7 The results from the surveys were analysed and emerging from this were several categories of information and advice provision which were identified as a priority, both from service user and organisational data. Overwhelming the demand was for advice on welfare benefits, debt and housing. This information was used in the development of the prospectus.
- 3.8 An initial mapping exercise involved a number of commissioning managers in Merton, and a further 'Commissioners meeting' took place in June 2018, involving commissioners within the Council and beyond (the CCG, housing providers).

The Prospectus, consultation and engagement

- 3.9 The prospectus and consultation was launched at MVSC's last INVOLVE meeting on 14 July 2019, which featured a series of presentations, questions and answers, and workshops. Suzanne Hudson also gave a short presentation highlighting the success of the Collaborative Working Group and speaking to the co-design of the prospectus. This greatly improved the reception the prospectus received.
- 3.10 The launch event also provided an opportunity for the voluntary sector to ask questions and leave comments, using a sticky note system. Any questions which could not be answered on the day were taken away, and a FAQ document was compiled, uploaded online, and sent to the attendees. More than 50 questions were asked, and raised some important considerations regarding eligibility for funding and questions about the process.
- 3.11 In addition to this launch event, relevant officers made themselves available for a two-hour drop-in session at Vestry Hall, and the voluntary sector were encouraged to attend and ask questions.

Application Process

- 3.12 Following the six-week consultation on the draft prospectus and subsequent approval at Cabinet, the initial application process for the Strategic Partner Programme was opened on 1 October 2018 with a deadline of 12 November 2018.
- 3.13 The process was streamlined as much as possible, with a single application form and supplementary form developed for additional applications. The same process and timetable was followed for all funding streams. To ensure as much transparency as possible, a new Right to Review procedure was developed, as outlined at 3.21. All funding documentation including the standard funding agreement template were reviewed and updated in line with the recommendations from the recent Internal Audit of Grant Funding and Commissioning to the Voluntary Sector.
- 3.14 Panels were convened on 27 and 28 November and panel recommendations were subject to a key decision on 18 December 2018. Panel membership is set out at Appendix II.
- 3.15 Of the three applications received for the Information and Advice pot, Citizens Advice Merton and Lambeth (CAML) was the strongest bid, scored the highest and the panel recommended total funding of £710,000 for 2019-21.
- 3.16 The two other applications were both eligible for funding but received the same lower score. As the funding requested overall was more than the funding remaining in the pot there was not enough funding available to fund these applications.
- 3.17 It was therefore agreed to re-open the Information and Advice element of the programme for a second round fund in January 2019. This bidding round would only be open to existing unsuccessful bidders to this funding pot.
- 3.18 The CAML application met most of the key features outlined in the funding prospectus. The panel therefore proposed that the second round of funding should focus on the more specialist requirements set out in the prospectus. The highest priority identified for the remaining funding related to the provision of specialist/legal representation (Tier 4). An additional priority identified related to outreach support for residents with some of the most challenging needs who may be less likely to approach an advice organisation for information and advice or are more likely to go where they feel most comfortable.
- 3.19 The second round funding panel was convened on 22 January to score applications against the weighted criteria, including the key features set out in the Round 2 Information and Advice funding prospectus. Membership of the panel remained the same, although a different external observer from MVSC was in attendance. Applications were scored and ranked. Any that were found to fall below the minimum threshold or fell outside the scope set out in the Prospectus were automatically not eligible. Funding allocations were then considered based on ranking.
- 3.20 Panel membership for Round 1 and 2 is set out at Appendix II and the scoring criteria used for both rounds is set out at Appendix III.

Right to review

- 3.21 All voluntary and community sector organisations that submitted an application to Round 1 and 2 of the Strategic Partner Programme 2019 were offered the opportunity to request a review of the panel recommendations. A Right to Review form was developed, along with supporting procedure and guidance. In this form, organisations were able to set out their reasons for requesting a review, focusing on the misinterpretation, incorrect weighting or failure to consider information that organisations submitted in their applications.
- 3.22 Any responses received were reviewed by a different panel/officer to the one that made the original assessment and the views of this panel along with copies of the Right to Review form were submitted for consideration to the Chief Executive, alongside the recommendations report.

Outcome and next steps

- 3.23 The agreed Strategic Partners 2019-22 and allocated funding from this programme are set out in Appendix I. Funding for these partners commenced in April 2019.
- 3.24 The council hosted a Voluntary Sector engagement event in June 2019, attended by Merton voluntary and community sector organisations including Strategic Partners and advice/support providers and commissioners from the Council and CCG. The event provided an opportunity to hear from Merton Council's Director of Community and Housing and senior commissioners on some key issues of relevance to local voluntary and community sector organisations.
- 3.25 One of the key workshops provided the opportunity for VCS organisations to feed back on the grants process and discuss how they want our Strategic Partners to work together going forward. It also sought initial ideas on a new Advice and Information Forum for Merton advice/support providers, which CAML is commissioned through the information and advice strand to support. Feedback will help to shape the future Strategic Partner programme and next steps for the Advice and Information Forum.
- 3.26 Feedback on the funding process was largely very positive, however, there were some areas highlighted around access to funding for smaller organisations and the fact that more time and support was needed for collaborative bids. This will be reviewed ahead of the next funding round in 2022.

4. ALTERNATIVE OPTIONS

- 4.1 The Chief Executive and Director in making their funding decisions, could have chosen to fund other organisations instead of those recommended by the panel. However, this action would have been in conflict with the evaluation and judgement process that was followed by the panel in coming to their recommendations in line with the Cabinet Report of 17 September 2018.
- 4.2 The Chief Executive and Director could have chosen to roll over funding solely for those organisations currently commissioned in 2018-19 at a similar or alternative level. However, this would have conflicted with Cabinet's decision to apply a competitive process against the criteria for this funding, which was subject to extensive consultation with the VCS.

5. CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1 A workshop took place in November 2017 that included approximately 50 representatives from the voluntary sector. This workshop formed the basis of much of the discussion moving forward.
- 5.2 Two surveys were developed which gathered the views of voluntary sector organisations and its service users over the past two years. These were distributed in both digital and physical form, and were promoted by Merton Council and organisations across the voluntary sector. Overwhelming the demand from service users was for advice on welfare benefits, debt and housing.
- 5.3 Conversations with commissioners within the Council and beyond (the CCG, housing providers) took place throughout this process.
- 5.4 The formal consultation on the draft funding prospectus opened on 16 July 2018 and ended on 27 August (six weeks). The launch event for this draft prospectus took place at MVSC's INVOLVE meeting on 17 July 2018, with over 50 individuals attending and a drop in session for voluntary and community sector organisations was held on 14 August 2018. Presentations and discussions also took place with the Merton Compact Board and Merton Partnership Executive Board. Four responses were received via a consultation survey. The consultation findings were reported to Cabinet on 17 September 2018 and the prospectus was updated in line with the feedback received.
- 5.5 Discussions took place in December 2018 with unsuccessful bidders to Round 1 of the Information and Advice element to explain the process for Round 2 and the council's commissioning requirements as set out in the revised Prospectus.

6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1 There are no financial implications arising directly from this report.
- 6.2 The cost of the Information and Advice element is £1.06 million over two years 2019-21 (excluding notional funding). This can be met within the current core budget.
- 6.3 The cost of the Voluntary Sector Infrastructure Support element proposed in this report is £370k over two years 2019-21 (excluding notional funding). This can be met within the current core budget.
- 6.4 It is proposed to award contracts for Information and Advice and Voluntary Sector Infrastructure Support over a three year period with funding agreed for the first two years as set out in Appendix 1. We would notify providers of the level of funding to be allocated in 2021/22 for these two elements in 2020/21, following a Cabinet decision.
- 6.5 The total grants allocation for Wellbeing Services 2019-22 is £1.2 million and Carers Services is £829,000 over the same funding period. The grant funding for these services is from the Adult Social Care core budget. In addition a very small proportion of the grant allocation is funded from the Better Care Fund budget and the Winter Pressures Grant budget and is therefore dependent on both of these grants being renewed.
- 6.6 The grant funding available for Healthwatch Merton is £375k over the three years 2019-22. This is met predominately from Corporate Services budget

(£100,000 per annum) with the remainder met from the Department of Health Local Reform and Community Voices grant.

- 6.7 While there is no reduction in overall funding up to 2021/22, some organisations have lost funding and others have gained funding. There was no provision in the Strategic Partner budget for any transitional arrangements for organisations who were no longer funded. The overall budget will be kept under review as part of the approach to balancing the budget over the medium-term.

7. LEGAL AND STATUTORY IMPLICATIONS

- 7.1 The Council has the power under the Localism Act 2011 (known as the general power of competence) to do anything an individual may do, unless specifically prohibited. This includes the power to make grants.
- 7.2 In adopting a commissioned grants approach, care must be taken to ensure that the outcomes identified are not such that a funding agreement is in reality a contract, which would be subject to the Public Contracts Regulations 2015 (PCR) and the Council's Contract Standing Orders. It is noted that the threshold at which the PCR requires a tender for services is £181,302 for services.
- 7.3 Care should also be taken that the giving of a grant does not amount to State Aid. As such the Council should ensure that prior to award of grant a declaration is made by the organisation.

8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1 The process and decision-making was informed by robust equality analysis and this was published alongside the September 2018 Cabinet Report, December 2018 key decision report and February 2019 decision report.

9. CRIME AND DISORDER IMPLICATIONS

- 9.1 None for the purposes of this report.

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1 There are no legal or statutory implications arising from this report.

11. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix I - Round 1 and Round 2 Strategic Partners and funding allocations

Appendix II – Strategic Partner Programme 2019 - Panel membership Round 1 and 2

Appendix III – Strategic Partner Programme 2019 - Scoring criteria Round 1 and 2.

12. BACKGROUND PAPERS

1. Key Decision Report - Strategic Partner Programme 2019/22
25/02/2019
<https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=714>

2. Key Decision Report - Strategic Partner Programme 2019/22
18/12/2018
<https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=687>
3. Cabinet report – Strategic Partner Programme 2019/22 –
commissioning requirements 17/09/2018 -
<https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=629>
4. Cabinet report – Future Funding of the Strategic Partner Programme –
03/07/2017 -
<https://democracy.merton.gov.uk/ieDecisionDetails.aspx?ID=477>

Strategic Partner Funding 2019 – Round 1 and Round 2 Strategic Partners and funding allocations

Information and advice provision

Organisation	Summary of Service	Funding amount 2019-21
Citizens Advice Merton & Lambeth	Continue to provide a range of information, advice, casework and specialist support services to people across the borough relating to social welfare law. Additionally provide a Specialist Support Partnership Service and Merton Advice Forum.	£710,000
Association for Polish Family	Provide support for the Polish and EE communities in Merton mainly through the provision of information and signposting but also piloted skills development workshops.	£54,000
Commonside Trust	Outreach support provided by South West London Law Centres (SWLLC) to Commonside Trust service users. Provision will include qualified legal advice in the areas of debt and housing. Hosting of specialist adviser from SWLLC three times per month.	£16,200
deafPLUS	Provide a new Merton Deaf Advice Service. Delivery of a two or three day per week Social Welfare Advice Service to Deaf and Hard of Hearing residents of Merton.	£48,000
South West London Law Centres	Provide legal casework and representation services in social welfare law (debt, employment, immigration, asylum, community care, housing and welfare rights) and pro-bono clinics offering legal advice services	£112,000
Springfield Advice and Law Centre	Provide a legal advice service for mental health services users, offering advice and casework representation in debt and welfare benefit matters, including advice outreach sessions.	£118,000

Voluntary sector infrastructure support

Organisation	Summary of Service	Funding amount 2019-21
Merton Voluntary Service Council (MVSC)	Continue to provide a one stop shop infrastructure, strategic representation and volunteering support service for the voluntary, community, faith and social enterprise sector and volunteers and potential volunteers in Merton.	£350,000
BAME Voice	Continue to provide support and voice for BAME organisations and communities in Merton. Introduction of a new peer mentoring and buddying scheme.	£20,000

Wellbeing Services

Organisation	Summary of Service	Funding amount 2019-22
Age UK Merton	Living Well service aims to provide support to older adults in Merton to enable them to continue to live independently. The service supports people to improve their independence, connection, health and wellbeing.	£265,350
Merton Mencap	My Life, My Community-provides the resources that people with a learning disability need to live full lives, connected and mainstream community life. Supported by a facilitator and 2 community hub sessions each week.	£145,707
Imagine Independence	Provide range of services and support in Peer Support, Inclusion and Health Living and Vocational support through 3 tiers: specialist, early intervention and universal.	£360,000
Wimbledon Guild	Develop 3 new activities: <ul style="list-style-type: none"> • Ongoing emotional and practical support for people 60+ with complex needs, • provision of a Sunday Lunch Service and 	£291,000

Organisation	Summary of Service	Funding amount 2019-22
	<ul style="list-style-type: none"> • expansion of emotional support groups for bereavement, older adults and continuity of concern for people with complex mental health needs. 	
Merton Vision	Provide support and services to people who are newly visually impaired, to people who have lived with sight loss for some time. Outreach team promote independence to assist reduction in social care dependency.	£164,145

Carers Service

Organisation	Summary of Service	Funding amount 2019-22
Carers Support Merton and Merton Mencap	To continue to provide a one stop shop for unpaid Carers in Merton via the Carers Hub. The Hub will use a model of comprehensive, holistic carers support developed by the Carers Trust.	£828,657

Healthwatch Merton Service

Organisation	Summary of Service	Funding amount 2019-22
Merton Voluntary Service Council	To continue to provide a Healthwatch Merton, providing an effective voice for local people in Merton, influencing and shaping Health and Social Care services to meet the needs of children, young people and adults.	£375,000

Appendix II

Strategic Partner Programme 2019 – Panel membership Round 1 and 2

Round 1

The first grants panel was convened on 27 November 2018 to score the applications against the weighted criteria for the ‘information and advice provision’ and ‘voluntary sector infrastructure support’ funding streams. The panel was made up of three council officers and a voluntary sector observer:

John Dimmer	Head of Policy, Strategy and Partnerships, Merton Council
Richard Ellis	Head of Community and Housing Strategy and Partnerships, Merton Council
Amanda Roberts	Policy, Strategy and Partnerships Officer, Merton Council
Khadiru Mahdi (observer)	Chief Executive, Merton Voluntary Service Council (Information and Advice only)

A second grants panel was convened on 28 November 2018 for the ‘wellbeing programme’, ‘carers service’, and ‘Healthwatch Merton’ streams.

The panel was made up of the following officers:

Annette Bunka	Senior Commissioning Manager, Merton CCG
Phil Howell	Head of Older People and Disabilities, Merton Council
Anthony Hopkins	Head of Library, Heritage & Adult Education Service, Merton Council
Daniel Butler	Senior Public Health Principal, Merton Council
Kris Witherington	Consultation and Community Engagement Manager, Merton Council (Healthwatch only)

All panel members signed a Conflict of Interest Disclosure form. No interests were declared by the council officers. The voluntary sector observer left the room during the discussion and scoring for the infrastructure bids.

Round 2

The grants panel was convened on 22 January 2019 to score the applications against the weighted criteria for Round 2 of the 'information and advice provision' funding stream. The panel was made up of three council officers and a voluntary sector observer:

John Dimmer	Head of Policy, Strategy and Partnerships, Merton Council
Richard Ellis	Head of Community and Housing Strategy and Partnerships, Merton Council
Amanda Roberts	Policy, Strategy and Partnerships Officer, Merton Council
Beau Fadahunsi (observer)	Head of Development and Funding Advice, Merton Voluntary Service Council

All panel members signed a Conflict of Interest Disclosure form. No interests were declared.

Strategic Partner Programme 2019 – Scoring criteria

The scoring criteria for funding have been identified and weighted below:

Criteria	Demonstrates	Weighting
Track record	<ul style="list-style-type: none"> • Delivery / impact • Fundraising / income generation • Partnership and collaborative working / constructive relationships 	20%
Meets requirements	<ul style="list-style-type: none"> • Alignment with key features set out in the funding prospectus 	40%
Value for money	<ul style="list-style-type: none"> • Evidence based methodology • Outputs and impact • Prevents / delays public sector costs 	20%
Bridging the gap	<ul style="list-style-type: none"> • Meets demonstrable needs • Helps deliver LBM equalities duties • Reaches priority client group • Involves service users in design 	20%

Each criteria is to be given a score between 0 – 5 where:

Score	Meaning	Description
0	Inadequate	There was no response to the question / there is no supporting evidence demonstrated
1	Poor	There is a significant lack of evidence / it fails to meet the required standard / there are serious shortcomings
2	Weak	There is a lack of evidence / there are some shortcomings
3	Acceptable	The response is robust and there is an acceptable level of evidence / any concerns may be of a relatively minor nature
4	Excellent	A very well-evidenced response / very few if any shortcomings / demonstrates a full understanding of the required standard
5	Exceptional	Outstandingly well-evidenced / goes above and beyond what is required / very few if any shortcomings

The minimum score required to be eligible for funding is a 3 in each category, with one score of 2 being acceptable. Any application scoring 0-1 in any criteria will not be eligible for funding.