

AGENDA ITEM:13 Pages nos. 140 - 145

Meeting	Cabinet Resources Committee
Date	14 December 2011
Subject	Big Society Innovation Bank – Round 1 Awards
Report of	Cabinet Member for Customer Access and Partnerships
Summary	This report seeks approval to awards recommended by the Community Assessment Panel from round 1 of the Big Society Innovation Bank.

Officer Contributors	Julian Mauger, Commissioning Manager, Chief Executive's Service Ken Argent, Grants Manager, Chief Executive's Service
Status (public or exempt)	Public
Wards affected	All
Enclosure	Appendix containing the recommendations of the Community Assessment Panel – circulated separately
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in	Not applicable

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1. RECOMMENDATION

- 1.1 That the awards recommended by the Community Assessment Panel in the appendix to this report (for circulation after the panel's meeting on 7 December 2011) be approved, subject to the Standard Conditions of Grant circulated with application forms and any further special conditions to be imposed in relation to adherence with 'due diligence' considerations and any other issues.**
- 1.2 That authority is delegated to the Assistant Chief Executive to finalise the required outcomes and any special grant conditions for each individual award.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Council, 1 March 2011 – approval to invest £200,000 a year in the Big Society Innovation Bank to support innovative work in civil society over a three-year period, 2011/12 to 2013/14.

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Big Society Innovation Bank reflects national and local policy that aims to give local citizens and communities ('civil society') greater power and responsibility to improve their lives, local communities and public services at a time of serious economic and social challenges.
- 3.2 The Corporate Plan, 2011-2013, and One Barnet – A Sustainable Community Strategy, 2010-2020, provide the framework for delivering better services for local residents against the major challenges of increasing population, rising expectation and reduced public budgets.
- 3.3 Development of the Big Society in Barnet seeks, as part of our new relationship with residents, to capitalise on the longstanding creativity and entrepreneurial spirit of civil society in the borough and its potential contribution to these challenges, helping to galvanize innovative new citizen- and community-led projects that address local issues and can survive without public funding.

4. RISK MANAGEMENT ISSUES

- 4.1 All awards from the Big Society Innovation Bank will be made subject to a set of standard grant conditions, with which applicants (and, where appropriate, sponsors) are required to signify their compliance by signing a written undertaking. Amongst other things, the conditions cover how awards are spent, allowing council officers a right of access to proof thereof, and requiring notification of any change in an applicant's circumstances which significantly affect entitlement to a grant. The council reserves the right to withhold payment of any approved grant, or to demand full or partial repayment, if it appears that an applicant has failed to comply with any of the conditions attached to the award.

- 4.2 All applicants have been required to demonstrate that they comply with published eligibility criteria. The assessment procedure has provided for checks on the status and governance of applicant organisations and sponsors of applications by individual people, or un-constituted groups, as well as other 'due diligence' considerations. These will continue in the case of successful applications to ensure their eligibility to receive a grant.
- 4.3 A number of applications have failed to address issues relating to the safeguarding of children, young people and vulnerable adults. The validation of applicants' procedures in this regard will be rigorously pursued before any award is released.
- 4.4 The process of presenting applications and the outcome of their assessment by officers to the Community Assessment Panel may be seen as unfair if any of its members has, or is perceived to have, an interest in any of the applications. The role profile for panel members includes a section on conflict of interest to deal with this issue. Legal advice was taken.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The core provisions of the Equality Act 2010 came into force on 1 October 2010 and the public sector equality duty (section 149 of the Act) came into force on 5 April 2011. Pursuant to section 149, the council must have due regard to the need to:

- eliminate discrimination, harassment and victimisation prohibited under the Act;
- advance equality of opportunity between those with protected characteristics and those without; and
- foster good relations between those with protected characteristics and those without.

The protected characteristics are age; disability; gender reassignment; pregnancy and maternity; religion or belief; and sex and sexual orientation.

- 5.2 All projects supported with an award will be required to demonstrate recognition of the diversity of the community in Barnet and sensitivity to the needs of users, including people with protected characteristics and from different cultures. They will be expected to observe all statutory requirements including those relating to equalities, employment practices and non-discrimination.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance, Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 The budget for making awards from the Big Society Innovation Bank in 2011/12 is £200,000. The council's budget includes the same amount for each of 2012/13 and 2013/14. Implementation in these years will be subject to a review of the first round of funding this year and approval of the council's budget for each of the next two years.

- 6.2 Individuals or un-constituted groups (who require a sponsor to be accountable for funds awarded) may apply for grants of between £500 and £5,000; constituted organisations may bid for between £500 and £50,000.

7. LEGAL ISSUES

- 7.1 None save those contained in the body of this report.

8. CONSTITUTIONAL POWERS

- 8.1 Paragraph 3.6 of Part 3 of the Constitution, as amended, reserves to the Cabinet Resources Committee the power to approve grants to voluntary and community organisations to the value of £20,000 or more.
- 8.2 The awards recommended are presented under this power, notwithstanding the authority vested in the Cabinet Member for Customer Access and Partnerships under paragraph 3.2 to approve awards of up to £20,000, in the interests of having a single approval process rather than two.

9. BACKGROUND INFORMATION

- 9.1 The strategic objectives of the Big Society Innovation Bank are to:
- establish new sustainable, high impact activity in civil society and the voluntary sector that meets a defined set of objectives in the Sustainable Community Strategy;
 - facilitate the shift of power from state to citizen, including enabling citizens to make use of new powers and deregulation;
 - speed up civil society's ability to respond to changing social needs by providing a test-bed for innovation;
 - contribute to the new relationship between the public sector and Barnet citizens.
- 9.2 Launched in June, the Innovation Bank seeks projects under two themes: (i) innovating to help the local community and (ii) enabling communities, whether as individuals or through organised groups, to do things for themselves where they were previously relying on state support or services.
- 9.3 The application process has been in two stages. Stage 1 asked for proposals in outline, which were reviewed in relation to compliance with the two published themes. 79 stage 1 applications were received in response to the first invitation for bids this year, of which 32 were approved to progress to stage 2. This involved the submission of a more detailed application by 11 November 2011. Only not-for-profit groups were eligible to apply for grants of £5,000 and over.
- 9.4 The assessment procedure of stage 2 bids includes the help of a panel of community representatives (the 'Community Assessment Panel') to recommend awards following an evaluation against the published criteria and short-listing by

- officers. The panel will also be asked to assist in periodically reviewing the operation of the Innovation Bank.
- 9.5 The creation of the Community Assessment Panel and the role it will have in recommending awards from the Innovation Bank complements the localism agenda, which seeks to create a bigger role for civil society to help shape how communities work and how public services get delivered. The involvement of local people from all parts of the community will enhance the decision-making process and serve to ensure that the projects supported are those with greatest potential to meet identified needs in the Barnet community.
 - 9.6 The panel is comprised of eight representatives of the local community, who must reside in the borough and have lived here for at least one year, appointed through an annual recruitment process run by CommUNITY Barnet. Six places are reserved for people aged 18 and over, selected on the basis of their knowledge of the local community; their record of involvement in community activities; and any particular skills that they can bring to the process. The aim is to reflect, as far as possible, the interests of older people; women, carers; those with disabilities and sensory impairment; black/ethnic minority communities; the faith sector; and the business community in Barnet.
 - 9.7 The remaining two places on the panel are reserved for representatives of young people aged 13 to 18, identified through the mechanism of Barnet's Youth Bank, with a recognized youth work accreditation and two years' experience of serving on the Youth Bank.
 - 9.8 In the interests of ensuring that panel members have no conflict of interest, membership is excluded to anyone who has an involvement or interest in any application for funding from the Innovation Bank. Exclusions include membership of the managing body of, or paid employment with, a not-for-profit organisation that applies to the bank; association through family relationship with a member of the managing body or a paid employee; volunteering for such an organisation for more than four hours a month; service users; individuals or groups of people that apply; and association through family relationship with any such individuals or group of people.
 - 9.9 The panel is to be chaired by the Cabinet Member for Customer Access and Partnerships. If the Cabinet Member has a conflict of interest, he will not be able to take part in making a recommendation in relation to the organisation(s) in question and will have to vacate the chair in favour of another panel member, who will chair the meeting for the duration of discussion of the bid in question.
 - 9.10 If the panel is unable to reach a consensus of opinion in recommending bids to be supported and the funding awarded, or in the absence of a panel quorum, the panel's remit to make recommendations to the Cabinet Resources Committee will revert to council officers.
 - 9.11 Of the 32 applications which succeeded in reaching stage 2, 27 applied. These applications have been scored by officers against basic pass/fail criteria and then on more detailed weighting scores as set out in the prospectus. Several

applications were disqualified on technical grounds, mainly in relation to the constitutional status of applicants.

- 9.12 The applications, together with the officers' scores, will be presented to a meeting of the panel on 7 December 2011. As this is after the despatch of agenda papers for the Cabinet Resources Committee, the panel's recommendations will be forwarded to members of the committee as an appendix to this report in advance of the meeting.
- 9.13 Encouraging applications from individuals and previously un-constituted groups is a key aim. The officers' shortlist makes use of the provision that we may balance awards between larger awards (over £5,000) and smaller ones (£5,000 or under) so as to recommend three suitable awards in the latter category.
- 9.14 In recommendation 1.2, authority is sought to delegate authority to the Assistant Chief Executive to finalise the required outcomes and grant conditions for each individual award. This will ensure that we maximise value from each award, for example refining target groups.

10. LIST OF BACKGROUND PAPERS

- 10.1 Published guidance on applying to the Big Society Innovation Bank.
- 10.2 Stage 2 applications and supporting information to round 1 of the Innovation Bank.
- 10.3 Anyone wishing to inspect the background papers should telephone 020 8359 2020.

Legal: HP
CFO: JH