
Meeting	Cabinet Resources Committee
Date	25 February 2013
Subject	Big Society Innovation Bank – Round 2 Awards
Report of	Cabinet Member for Customer Access and Partnerships
Summary	This report seeks approval to recommended awards from Round 2 of the Big Society Innovation Bank.

Officer Contributors	Ken Argent, Grants Manager, Chief Executive's Service Jody Nason, Third Sector Commissioning Development Manager, Chief Executive's Service Julie Pal, Former Strategic Policy Adviser, Chief Executive's Service
Status (public or exempt)	Public
Wards affected	All
Key decision	No
Enclosure	Appendix – Awards Recommended from Round 2
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 Committee approves the awards recommended from Round 2 of the Big Society Innovation Bank as set out in the appendix to this report, 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 the Committee delegates authority to the Chief Operating Officer 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.
- 2.2 Cabinet Resources Committee, 14 December 2011 (Decision item 13): approval of awards recommended by the Community Assessment Panel from Round 1 of the Big Society Innovation Bank.

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, 2012-13, and the Sustainable Community Strategy, 2010-20, provides 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 the 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 citizens 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 are 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 including validation of applicants' procedures for the safeguarding of children, young people and vulnerable adults. These will continue in the case of successful applications to ensure their eligibility to receive a grant.
- 4.3 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; sex; and sexual orientation. They also cover marriage and civil partnership with regard to eliminating discrimination.

- 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 is £200,000 a year in each of the three years up to and including 2013/14, subject to approval of the council's budget for next year.
- 6.2 In 2011/12, eight awards (supporting nine projects) were approved from Round 1 of the Big Society Innovation Bank totalling £200,000. In the event, to guard against resources being wasted, funding was withdrawn from two of the nine projects, one following some preparatory work, as they were not meeting milestones and were not considered viable. This created an under-spend of £23,906, which sum has been rolled forward to 2012/13.
- 6.3 The budget for making awards from round 2 of the Big Society Innovation Bank in 2012/13 is therefore £223,906.
- 6.4 Individuals or un-constituted groups (who require a sponsor to be accountable for funds awarded) may apply for grants of up to £4,000; constituted organisations may bid for between £4,000 and £40,000.
- 6.5 The awards recommended total £217,728, which, if approved, will leave an under-spend of £6,178. Approval will be sought to roll this sum forward to round 3 in 2013/14.

7. LEGAL ISSUES

- 7.1 Section 1 of the Localism Act 2011 gives local authorities a general power of competence, subject to certain specified limitations, to "...do anything that individuals generally may do". The previous 'well-being' power, which local authorities had to act, ceased to be of effect for English authorities in April 2012.
- 7.2 Use of this general power of competence will be unlawful unless there is compliance with the public sector equality duty, set out in section 5 above.
- 7.3 Other, relevant, legal issues are addressed within the body of this report.

8. CONSTITUTIONAL POWERS

- 8.1 Council Constitution, Part 3, Responsibility for Functions - paragraph 3.6 of Part 3 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 Council Constitution, Part 3, Responsibility for Functions – paragraph 3.2 details the responsibilities of individual Cabinet Members. The Cabinet Member for Customer Access and Partnerships has the authority to approve grants to voluntary organisations up to the value of £20,000. Although the Cabinet Member has the authority to approve some of the individual recommended

awards, the committee is requested to approve all of the awards set out in the appendix 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 Round 1 - 2011/12

9.2.1 Launched in June 2011, Round 1 of the Innovation Bank funded nine projects under two broad themes: (i) innovating to help the local community and (ii) enabling communities to do things for themselves where they were previously relying on state support or services. Two of the projects were linked through a single award on a partnership basis.

9.2.2 Two projects were subsequently abandoned owing to unforeseen circumstances. Of the remaining seven, one project (to present the council with options for delivery of the 'Green Deal') has been completed and another has resulted in the provision of a volunteer-led 'blue light' emergency medical response capability in Barnet to enhance the work of the London Ambulance Service. The other five projects are at various stages of implementation. They include training, volunteering and business development opportunities for disadvantaged young people; work to prevent malnutrition in older people; help to enable people with mental health problems to be more resilient and take control of their lives; and training for allotment societies in self-management.

9.3 Round 2 – 2012/13

9.3.1 This year's round of funding is focused on three specific priority areas of work:

- 'Empowering Residents' to become more resilient and take control of their lives, such as to live healthy and independent lives; gain skills and employment; or avoid offending and anti-social behaviour or other activities that result in interventions from the criminal justice system;
- 'Local Solutions to Local Problems', aimed at improving collaboration between local community groups and residents to tackle a specific local

problem through innovative and sustainable ideas which have the potential to be scaled up and rolled out across the borough;

- ‘Supporting People into Employment’, focusing either on support to the general population or a more targeted approach to supporting those who need it most.

9.3.2 Building on the experience gained last year, when the overall level of innovation amongst 79 original bids was fairly low, the application process for Round 2 has sought to improve the quality of applications, particularly helping applicants to address key issues such as:

- Innovation - the degree to which a proposal involves a new way of solving a local problem or delivery of a public service;
- Sustainability – the on-going benefits of a project and how it will sustain itself financially after a grant from the Innovation Bank comes to an end;
- Deliverability – the need for a project to be realistic and to identify sensible success factors;
- Development Potential – how a project may be expanded in other parts of, or across, the borough.

9.3.3 The application process has been in three stages, commencing with the submission of an ‘Expression of Interest’ to identify proposals that had the potential for consideration under the terms of the scheme and to save on unproductive work on ideas that did not. Encouraging applications from individuals and previously un-constituted groups was a key aim.

9.3.4 A total of 63 expressions of interest were progressed to ‘Stage 1’, which involved the presentation of an outline proposal.

9.3.5 Applicants at both of these stages were invited to attend a set of workshops run in conjunction with CommUNITY Barnet and the Innovation Unit, which were commissioned to help with the technical aspects of applications and in shaping proposals respectively.

9.3.6 32 outline applications were received at stage 1, which were reviewed in relation to compliance with the three published themes. 26 applications were approved to progress to ‘Stage 2’, which required the submission of a more detailed proposal by 21 December 2012. All of the applicants progressed to stage 2 were offered one-to-one advice on the development of their bids besides the ongoing support of the two commissioned agencies.

9.3.7 17 applications were received at stage 2, fewer than in Round 1 but considered to be a higher quality range of bids, reflecting the help and support built into the application process to achieve this. One application was disqualified on technical grounds. The remaining 16 have been evaluated by officers against the published criteria, which included detailed weighting scores assessing the strategic fit of proposals and their deliverability.

- 9.3.8 The eligible applications, together with the outcome of the officers' evaluation, were presented to a meeting of the Community Assessment Panel on 21 January 2013.
- 9.3.9 The panel exists to help in the process of short-listing bids for recommendation, enhancing the decision-making process by involving people from all parts of the community in identifying the most innovative projects with the greatest potential to meet identified needs. It is made up of eight representatives of the local community, selected on the basis of their local knowledge; their involvement in community activities; and any particular skills that they can bring to the process, appointed through an annual recruitment process run by CommUNITY Barnet. The panel is chaired by the Cabinet Member for Customer Access and Partnerships.
- 9.3.10 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, as defined in the panel's terms of reference.
- 9.3.11 A total of 13 awards are recommended for approval in the appendix to this report on the basis of the officers' evaluation and the panel's recommendations. As in Round 1, the recommendations seek to achieve a mix of larger awards and smaller ones.
- 9.3.12 In recommendation 1.2, authority is sought to delegate authority to the Chief Operating Officer to finalise the required outcomes and grant conditions for each individual award, aimed at achieving maximum value from each award.
- 9.3.13 An implementation plan will be agreed with all successful applicants, addressing, amongst other things, the need to revise delivery plans where awards are less than the amount sought. All approved awards will be released in instalments, usually on a quarterly basis, linked to monitoring / evaluation and evidence of satisfactory progress against agreed milestones and towards achieving key targets and outcomes.

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 2 of the Innovation Bank.
- 10.3 Anyone wishing to inspect the background papers should telephone 020 8359 2020.

Cleared by Finance (Officer's initials)	MC/JH
Cleared by Legal (Officer's initials)	SS