

FULL EQUALITIES IMPACT ASSESSMENT FORM B

Function being assessed:

To adopt a policy which changes the management and administration of the current corporate grants programme to a commissioning approach from April 2016:

£1,052,650 of current grants allocation will be transferred to commissioning budgets in 2016/17

£100k will be retained for transition funding in 2016/17

£120k will be retained for discretionary grants up to £3k each (emerging needs)

£50k will be retained for small grants up to £750 each

Existing grant commitments for 16/17 and 17/18 will continue to be honoured

Is this a new function or a review of an existing function?

It is a review of an existing function of how Voluntary and Community Sector has been supported through a grants programme. The Council has been operating a Commissioning model for a number of years and this change is proposing to widen the scope of commissioning to include budgets previously managed through the corporate grants programme, while retaining a small level of grants.

What are the aims/purpose of the function?

This is a proposed policy change in the way that the Council's current Corporate Grants programme is administered. The current programme has £1,583,700 allocated through an application process. It is proposed that this amount is transferred into Council budgets so that activities can be commissioned based on outcomes, need and priorities. This will be undertaken by Lead Commissioners across the Council based on outcome-areas. It is proposed that transition funding is retained to support the change, and also a proportion of small grants is retained.

The Council will retain £100k from the overall budget of £1,583,700 for transition funding (for 16/17 and 17/18). This will be allocated on a case by case basis through an application process. This can be used for intermediary funding while organisations prepare for commissioning, including capacity building.

The Council will retain £120k a level of discretionary grants for emerging needs which will be a maximum of £3k per year (note that currently there around 44 applications for this).

The Council will also retain £50k per year from the existing corporate grants budget for small grants under £750 per grant (note that there are currently 22 applications per year).

The administration for the small and emerging grants programme will be developed on the basis of officer delegated decisions and member oversight. The process will be transparent and criteria published.

Commissioning decisions will follow the approach set out in Contract Standing Orders and Scheme of Delegation, which requires officers with appropriate authority to consult with members for decisions over £100k. The Council currently allocates grants through the Committee process.

The Council will allocate this to appropriate Commissioning budgets for agreement at Autumn budget.

Is the function designed to meet specific needs such as the needs of minority ethnic groups, older people, disabled people etc?

The proposed function is to provide funding through the commissioning framework rather than the current corporate grants programme except for discretionary grants for emerging needs and small grants programme to the Voluntary and Community Sector post April 2016. Transition funding (for 16/17 and 17/18) will be available on a case-by-case basis.

The current grants programme covers a wide variety of areas e.g. arts, culture, health, social care, homelessness, refugees, advice provision, adult and children's services.

The wide variety of services provided by this sector will cover all the protected characteristics within the Equality Act, community cohesion agenda and socio economic disadvantage faced by the individuals and families in the community. The Voluntary and community sector organisations provides a multitude of services to a wide variety of services users who live in the borough and others eg people working in Kingston or students who are also able to use the services of these organisations. The organisations within the VCS have both employees and a large volunteer base in many instances.

The Voluntary Sector Strategy, Compact and Commissioning Framework are the guiding principles through which the current system operates to support this sector. A larger proportion of the services provided currently are through the commissioning model accounting for approximately £13 million. The Voluntary and Community sector has always played a critical and crucial role within the borough through the grants programme for services that was not commissioned to meet the needs of individuals and families.

The change in policy is expected to raise challenges for the VCS organisations, and this will need to be managed to ensure fair access to opportunities, and to mitigate negative impact on any groups or individuals.

What information has been gathered on this function? (Indicate the type of information gathered e.g. statistics, consultation, other monitoring information)? Attach a summary or refer to where the evidence can be found.

Statistics include the total value and type of the Grants, and also the total value that the Council provides (through grants or commissioning) to VCS organisations. This is monitored through the Strategic Business function.

A series of workshops (Nov 2014 and February 2015) were undertaken whereby the Council and VCS jointly discussed definitions and key terms around commissioning and grants, and set out a direction in which the Council seeks to move to more effective Commissioning. This included two workshops on how the Council commissions and presentation/information to set out some key developments and plans from various commissioners within the Council. In addition, organisations were asked how and when they would see themselves involved in the commissioning process and where improvements could be made. The VCS have also discussed progress of Commissioning through New Futures and New Futures 2 conferences.

A formal consultation process took place in May/June 2015 which included an on-line consultation and a series of focus groups for VCS.

A total of 148 responses were received from residents, VCS employees, VCS trustees, VCS volunteers and services users within the sector. Of this 56 (38%) respondents were not in favour of the proposed change whilst 13 supported the change to a large extent. Taking into account all the responses to this change it would seem that 92 responses (62%) were in favour to some extent

In addition to the online consultation a series of focus groups were undertaken by an external company which included 62 participants from the voluntary and community sector who were in receipt of grants and some who were not recipients of grants.

The full findings of the consultation and focus groups are attached to this impact assessment and committee report and a summary of the borough's equality data as Annexes 1-4

Does your analysis of the information show different outcomes for different groups (higher or lower uptake/failure to access/receive a poorer or inferior service)? If yes, indicate which groups and which aspects of the policy or function contribute to inequality?

If the proposed changes are implemented and the grants programme comes to an end there is some concern that there might be an impact on equality groups, a strong view was expressed that the current system should remain with some changes and the commissioning process could run alongside.

Due to the financial challenges faced by the Council even if the grants programme remained there are uncertainties on the amount of funding that will be available for the sector in the long term.

An important point is that even in this proposed change the current allocated funds to grants programme is being safeguarded and moved into the commissioning pot.

As such the difference will be in the future identification of commissioned services and which directorates will have this responsibility.

The greatest impact within the sector will be felt mainly in the core funding that is provided to the organisations to function and deliver their services to their services users who in many instance are the most vulnerable within the borough.

The concern is that if the VCS are not core funded they will cease to exist and therefore not be available to bid for commission based service delivery. This could radically reduce the size of the voluntary sector and have an adverse impact on certain groups.

The voluntary and community sector have also brought a larger amount of money into the borough from other sources. There is great concern that the potential loss of this funding through the commissioning process could be devastating to the existence of some of these organisations and by default to the services users.

Inevitably the increased competition within the sector as well as other providers could have a potential negative impact if larger external organisations wins in the process and delivers the service to the detriment of long established local groups with a loss of local knowledge and expertise.

Capacity of groups to compete and work in this environment and the ability of vulnerable clients to access services causes concern to the sector.

Are these differences justified (e.g. are there legislative or other constraints)? If they are, explain in what way.

If the proposed changes are implemented there could be a potential negative impact on the voluntary and community sector within the borough. This is due to the fact that in a commissioning and competitive procuring process groups may not succeed and individual groups may cease to exist.

Whilst the impact for the existing voluntary or community group may be potentially negative if this were to happen it does not mean the impact on a

service user will be the same as that of the group. This is because the services could be delivered by another provider and therefore the service user should not experience any difference in service delivery which to a large extent is the most important factor.

The outcomes budget is currently being formulated and directorates need to be clear and identify the services that need to be commissioned. The success of the VCS within the borough is dependent on the outcome of this process and the capacity to formulate winning bids.

The Council will undertake any Commissioning in line with its obligations for fair treatment, accessibility and transparency. Specifically, where procurement is required, it must comply with Public Contracting Regulations 2015. The new regulations do allow for some flexibility, particularly for 'light touch' services, and also will ensure that the Council undertakes up-front engagement in the commissioning process.

In some cases, there may be consideration to award grants through a commissioning process if it is deemed that there is no wider market, but the Council must ensure it demonstrates fairness.

The Council through its commissioning programme will ensure that its statutory and non statutory obligations will continue to be fulfilled and its public sector equality duty to eliminate discrimination, advance equality of opportunity and foster good relations within the protected characteristics are discharged in accordance with legislation.

What action needs to be taken as a result of this Equality Impact Assessment to address any detrimental impacts or meet previously unidentified need? Include here any reasonable adjustments for access by disabled people. Include dates by which action will be taken. Attach an action plan if necessary.

The action identified below will minimise the impact of the proposed changes and support the Voluntary and community sector in the borough.

Ensure the existence of the Voluntary and community sector within the borough by closely working with the Voluntary Sector Board Partners (**Officers responsible: Capability Lead - Community and Capability Lead - Commissioning**)

Monitor the impact of implementing the proposed change on the sector and review on a quarterly basis for consideration of VCS Commissioning Sub-Group and VCS Board (**Capability Lead - Community and Capability Lead - Commissioning**).

Inclusion of social value within commissioning which was seen as an important

part with the consultation. This includes refresh of the social value toolkit and consideration of how social value is monitored across the Council (**Capability Lead – Commissioning, and Lead Commissioners**).

VCS Strategy & Compact to be reviewed in light of this change (**VCS Board**)

Continue to develop the capacity for commissioning by the local VCS (**Capability Lead – Community, Capability Lead – Commissioning, working with KVA**)

Commissioning will include funding core costs of organisations where possible to ensure capacity building (**Capability Lead – Commissioning, and Lead Commissioners**).

Commissioning themes are identified in line with Our Kingston outcomes based projects and appropriate transfer of funding into commissioning budgets (**Strategic Leadership Team, supported by Strategic Business and Finance**)

Ensure commission framework is appropriately used by officers, monitored through network of communication between KVA and RBK (**KVA and Capability Lead – Commissioning**)

Continue with the current commitments (**Capability Lead – Community**)

Allocate transition funding through a transparent process, to be developed in consultation with VCS key partners (**Capability Lead – Community**)

Identify the groups that may be impacted by the proposed changes early and see how to support them (**Capability Lead – Community, Capability Lead – Commissioning, working with KVA**)

Work with the VCS to see how best to monitor whether the change has any impact on the volunteer base within the borough. (**Capability Lead – Community, Capability Lead – Commissioning, working with KVA**)

When will you evaluate the impact of action taken? Give review dates.

End September 2015

End December 2015

End March 2016, and quarterly

Assessment completed by:

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SERVICE – Strategic Business

DATE 22 June 2015

