

SOUTHAMPTON CITY COUNCIL

**Approach to Voluntary Sector Funding**

**Equality and Safety  
Cumulative Impact Assessment**

Original: March 2017

Last Updated: December 2020

Amendments for July 2019:

Page 9, paragraphs 53 and 54, regarding the introduction of the Celebrations Grant.

Amendments for January 2020:

Document reviewed, no amendments needed at this time.

Amendments for July 2020:

Document reviewed, no amendments needed at this time.

Amendments for December 2020:

Page 6, paragraph 6, regarding support for BAMER community members for funding bids

## Introduction

1. Southampton City Council, in line with its statutory responsibilities, undertakes Equality and Safety Impact Assessments (ESIAs). ESIAs provide a systematic way of assessing the impact of policies, strategies, programmes, projects, services or functions on different equality groups and on poverty and community safety. ESIAs are completed for all proposals identified as requiring them to inform decision making.
2. This document provides an overarching summary of the ESIAs for the proposals for the approach to voluntary sector investment in the future.
3. The proposals were subject to public consultation from 2 December 2016 until 24 February 2017. The feedback received up until 24 February 2017 was collated and will be presented as part of the final report. The feedback has also been incorporated into the individual ESIAs and is reflected in this cumulative impact assessment.

## Context

4. In October 2016 Cabinet considered a report detailing a review of the council's investment in the voluntary sector, across grants and contracts. The review was undertaken with the aim of ensuring that any services provided (whether contracted or grant funded) contributed directly to the council's priority outcomes. This review was to inform a two year work programme with a strong focus on prevention and early intervention approaches. Cabinet considered a number of recommendations in order to deliver a redesigned funding programme which could result in reshaping and re-tendering of current grants and contract arrangements.
5. The council wishes to prioritise its support to voluntary sector agencies and to engage the sector in working jointly to address local challenges. However, given the fact that funding is now provided through a variety of means including both grants and contracts it is no longer sensible to view this support as being provided only through a grants allocation process.
6. In October 2016 Cabinet therefore agreed a new approach to funding voluntary sector organisations to support the priority areas of building community capacity, encouraging prevention and early intervention approaches and working with partners to make better use of resources from charitable and business sectors. The new approach was agreed subject to a 12 week public consultation and an assessment of the impact of the proposals.
7. The new approach includes using whichever funding routes (grants or contracts) provide the most effective way to achieve outcomes. The council wants to focus grant funding on community development and prevention and early intervention approaches and wants to encourage collaboration and access to additional funding from external sources.

## Legal Framework – Equalities

8. The Equality Duty, section 149 of the Equality Act, came into effect on 5<sup>th</sup> April 2011 and places a duty on all public bodies and others carrying out public functions. The Act was designed to ensure public bodies consider the needs of all individuals in their day to day work, including: shaping policy, delivering services and employment of employees. It requires public bodies, such as councils, not to discriminate against any person on the basis of a protected characteristic such as disability. The legislation strengthened existing provisions about discrimination to also include associative and perceptive discrimination as well as direct and indirect discrimination.
9. Direct discrimination occurs when a rule, policy or practice offers less favourable treatment to a group. Direct discrimination will always be unlawful.
10. Indirect discrimination occurs by introducing a rule, policy or practice that applies to everyone but particularly disadvantages people who have a protected characteristic. Indirect discrimination will not be unlawful if it can be justified, for instance it can be shown that the rule, policy or practice was intended to meet a legitimate objective in a fair, balanced and reasonable way. In considering whether or not any indirect discrimination is justified, the council must consider whether or not there is any other way to meet its objective that is not discriminatory or is less likely to disadvantage those with protected characteristics.
11. The Public Sector Equality Duty (the Equality Duty) replaced three previous public sector equality duties, for race, disability and gender, and broadened the breadth of protected characteristics to include:
  - Age
  - Disability
  - Gender reassignment
  - Marriage and civil partnership, but only in respect of the requirements to have due regard to the need to eliminate discrimination
  - Pregnancy and maternity
  - Race – ethnic or national origins, colour or nationality
  - Religion or Belief – including lack of belief
  - Sex (Gender)
  - Sexual orientation.
12. The Equality Duty does not impose a legal requirement to conduct an Equality Impact Assessment, rather it requires public bodies to demonstrate their consideration of the Equality Duty and the conscious thought of the Equality Duty as part of the process of decision-making. This entails an understanding of the potential effect the organisation's activities could have on different people and a record of how decisions were reached. Producing an Equality Impact Assessment post decision making is non-compliant with the Equality Duty. For this reason the council requires adherence to the existing impact assessment framework.

## Legal Framework - Community Safety

13. Community Safety is a broad term. It refers to the protection of local communities from the threat and consequence of criminal and anti-social behaviour by achieving reductions in relation to both crime and the fear of crime.
14. Section 17 of the Crime and Disorder Act 1998, as amended by the Police and Justice Act 2006, requires responsible authorities to consider crime and disorder, including antisocial behaviour and other behaviour adversely affecting the local environment; and the misuse of drugs, alcohol and other substances in the exercise of all their duties, activities and decision-making. This means consideration must be given to the likely impact on crime and disorder in the development of any policies, strategies and service delivery. This responsibility affects all employees of the Council.
15. This responsibility is summed up by guidance issued by the Home Office. This guidance describes the legal responsibility as: *'a general duty on each local authority to take account of the community safety dimension in all of its work. All policies, strategies, plans and budgets will need to be considered from the standpoint of their potential contribution to the reduction of crime and disorder'*.

## Scope and our approach

16. This assessment identifies areas where there is a risk that changes resulting from the proposals, when considered together, have a negative impact on particular groups. It is important to note this is an ongoing process. As proposals are developed and implemented, they will be subject to further assessment. This assessment also describes mitigating actions that will need to be considered.
17. The council's approach on assessing the impact of its policies, proposals and decisions is designed to demonstrate that it has acted over and above its statutory duties. This is reflected in including poverty in the ESIA, as the council is committed addressing the impact of poverty.
18. ESIA's were developed for each individual grant recipient whose funding was affected by the proposals.
19. This document gives a summary of the Equality and Safety Impact Assessments carried out in respect of individual organisations currently in receipt of grant funding through the commissioned grants programme.

## **Consultation – Process and Feedback**

20. The proposals for a new approach to voluntary sector funding were subject to a 12 week public consultation between 2 December 2016 and 24 February 2017. Respondents were able to provide feedback on the proposals via an online survey, public meetings, one-to-one meetings and by email or phone. A report on the feedback received during the consultation has been submitted to decision makers alongside this report and is available on the council's website.
21. In total, there were 84 respondents to the consultation (53 organisations, 3 networks and 28 individuals). Overall there was a good level of engagement with the consultation. In total there were 47 responses to the online survey, 35 attendees at the open public meetings, 25 face to face meetings with individual organisations and 9 written submissions via email. This included feedback from 33 of the 34 current grant recipients that are directly affected by the proposals. In the last significant grants consultation in 2012 only 10 of the existing grant recipients engaged in the consultation, therefore the level of engagement in this consultation was a significant improvement. In total 544 comments were received and analysed.
22. A breakdown of the 53 organisations that responded to the consultation has shown that 58.5% are local organisations (i.e. primarily working and based in Southampton), 30% are regional organisations and the remaining 9.5% are national organisations.
23. The grant recipients were also given the opportunity to comment on their individual ESIA and these comments have been incorporated into the ESIA's. Any feedback about impact that was received during the consultation has also been incorporated.

## **Cumulative Impact Assessment**

### **Proposed approach to awarding funding**

24. The proposal to cease the current corporate grant programme in favour of an approach which identifies the appropriate funding route in each circumstance could potentially impact on all existing grant recipients in the commissioned grants programme.
25. There are no savings proposals attached to these changes. Instead it is a re-focus of how the existing resources are allocated. All future funding allocations will be made in line with the council's priority outcomes, as the current grant allocations are made now, and it is intended to develop funding streams on broadly similar areas lines as the grant funding is currently allocated to.
26. Between them, the existing grant recipients run services and activities that potentially have a positive impact on all the ESIA areas. As it is not yet known exactly what new funding streams will be offered this cumulative impact assessment is limited to providing an overview of the areas supported through the current grants

and a general assessment of the potential impact of the proposals. The council will continue to work with affected organisations and update the ESAs as the new funding streams develop.

### Current grants impact

27. Age – 24 of the current grant funded services can be identified as having a positive impact on specific age groups. These organisations primarily offer a range of activities for children and young people, with some services also aimed at older people. There is a particular focus on employment and skills and children and young people getting a good start in life – both of these continue to be priorities for the council.
28. Disability – 16 of the current grant funded services can be identified as having a positive impact on services for disabled people. These organisations are working with people in the city facing multiple and complex barriers, including physical disability and mental health issues, primarily offering support for employment and skills, welfare advice and community action. All of these areas continue to be priorities for the council.
29. Gender reassignment – two of the current grant funded services are supporting young people who are undergoing gender reassignment or considering it.
30. Marriage and civil partnership – four of the current grant funded services identified marriage and civil partnership as an area where their service has a positive impact. Children and young people get a best start in life is one of the council's priority outcomes.
31. Pregnancy and maternity – four of the current grant funded services can be identified as having a positive impact for expecting and new mothers, including young people and single parents. This is primarily offering support about welfare and health and wellbeing. Children and young people get a best start in life is one of the council's priority outcomes.
32. Race – grant funded services are supporting BAME residents in a range of activities. This includes employment and skills, welfare advice and developing community groups. All of these areas continue to be priorities for the council. It is noted that some applications that have not been recommended for funding recently, due to poor quality applications, are for projects supporting BAME communities. The council is committed to working with Southampton Voluntary Services to ensure appropriate support is available to improve funding application skills.
33. Religion or belief – six of the current grant funded services are supporting people with matters of religion or belief or are faith organisations providing services for local communities. This includes employment and skills, advice, play projects, youth

projects and keeping people safe on night's out. All of these areas continue to be priorities for the council.

34. Sex – seven of the current grant funded services have projects that are targeted to one particular gender or the other. This includes supporting women or young men into training and employment, advice and projects that actively promote positive relationships between the genders. All of these areas continue to be priorities for the council.
35. Sexual orientation – five of the current grant funded services support children and young people who are lesbian, gay, bi-sexual, transgender or questioning to explore and come to terms with their gender identity, and with their sexual orientation. Children and young people get a best start in life is one of the council's priority outcomes.
36. Community safety – 19 of the current grant funded services support community safety through helping to build cohesive communities in the city and supporting individuals to live safe, healthy, independent lives. This includes supporting people into employment and skills, providing play and youth activities, providing safe, reliable services for vulnerable people and keeping people safe on night's out. All of these areas continue to be priorities for the council.
37. Poverty – 26 of the current grant funded services are supporting adults on low incomes or children and young people from low income families. This includes support into employment, welfare advice, befriending services, financial inclusion and low cost activities that support children and young people's development. All of these areas continue to be priorities for the council.
38. Other significant impacts – the consultation highlighted moving to contracts could have a particular impact for smaller organisations, who may not currently have the skills and/or capacity to bid for contracts. This is significant as given the council's priorities for future funding streams are broadly similar to the current priorities the biggest impact is likely to be on organisations. Similar services will be commissioned to continue to provide support to residents, but there is a risk the contracts may not be won by the current grant holders.

**Next steps:**

39. If the move to a new funding approach is agreed the council will take mitigating actions, including (but not limited to), transition funding where it is clear the council will be commissioning a service in future, training to support voluntary sector organisations to move to contracts and ensuring its procurement process are proportionate.
40. As part of this new approach it is likely that the council will identify current grant funded services that it will not be commissioning in the future. Where such grants are identified the council will work with the affected organisation to understand the

impact of the end of grant funding, including both the impact on service users and on the organisation. Where necessary further mitigating actions will be developed.

41. The council's commissioning process is more inclusive than previous grant processes, involving both existing and potential providers in the design of service and funding models. If the proposed new funding approach is agreed voluntary sector organisations will have more opportunity to shape the funding on offer than they did previously with the grants programmes.
42. The council will continue to work with affected organisations to monitor the impact of the new approach as the details are developed and take further mitigating actions if needed.

### **Proposed new criteria**

43. The council has updated its proposal following feedback during the consultation. It no longer proposes to adopt collaborative approaches and prioritising applications that can draw in match funding as criteria. Instead the council will aim to encourage collaborative approaches and match funding wherever possible.

### **Next steps:**

44. While it intends to follow a more informal approach to collaborative working and match funding, the council recognises that some voluntary sector organisations will still need support for this.
45. The council produces a monthly funding newsletter, which in 2016/17 has supported local voluntary sector organisations to bring in over £800,000 of additional funding. The council is committed to continuing to provide this newsletter.
46. The council is currently reviewing the needs for community development support in the city. The feedback gathered in this consultation will be used as starting point for discussions about what support voluntary sector organisations may need for developing and maintaining partnerships with other voluntary sector organisations as well as public and private sector organisations and for bringing in additional funding into the city.

### **Proposed increase in Community Chest funding and proposal to use the same criteria**

47. The council is proposing to increase the Community Chest small grants budget from £50,000 to £100,000 and to continue to use the same criteria for awarding the grants.
48. Community Chest grants are funded against the council's four priority outcomes. These are one-off, one year grants that cannot be repeated the following year. The



scheme has the potential to cover all ESIA areas, however, exactly what is funded each year depends on the applications received.

49. Increasing the budget will have a positive impact for residents as more money will be available for community projects. Keeping the criteria the same has a neutral impact on voluntary sector organisations that can apply for funding under the existing scheme.
50. A potential knock on impact of moving the larger grants to contracts is that it may leave a gap in potential grant funding for organisations that are not eligible for Community Chest but who feel they are too small for contracts. Some respondents to the consultation suggested changes to the Community Chest criteria could bridge this gap.
51. The profile of the consultation respondents shows there were few comments on the proposals from small community groups, who are the main beneficiaries of the current Community Chest grant scheme. This imbalance may have skewed the responses about the Community Chest criteria proposal. Further consideration needs to be given to the criteria before any changes are made, to ensure changes made to support one section of the voluntary sector do not disadvantage another section of the voluntary sector.

**Next steps:**

52. The council is currently reviewing the needs for community development support in the city. The feedback gathered in this consultation will be used as starting point for discussions about suitable community funding programmes to enable communities to develop and help themselves.
53. Update: July 2019. The number of applications to Community Chest has not increased since the increase in funding. This means that successful applicants whose costs are all eligible and demonstrate Best Value are now receiving full funding where they would previously have only been part funded. However, it also means that not all the budget is allocated through the original two rounds per year. To ensure all the budget is allocated to community projects a mini grant of up to £500 for community celebrations has been introduced. It has a lighter touch approach to make it easier to apply for and applicants may submit applications to both Community Chest and the Celebrations Grant at the same time, providing they are for different events/activities. It is also available to larger organisations in the city. This grant has proven popular and has increased access to the community funding for all residents.
54. The Celebrations Grant is aimed at bringing communities together and information from the first round in January 2019 is that it has had a positive impact in bringing different communities together. It will continue to be monitored and reviewed.

**Proposals to continue to support the existing participatory budgeting grant scheme and extend participatory budgeting grant schemes into new areas**

55. Participatory budgeting grant schemes enable residents to make decisions about the services and activities they want to fund for their area. This empowers communities to take ownership of their local services.
56. As with Community Chest, participatory budgeting grant schemes have the potential to cover all ESIA areas with exactly what is funded each year depending on the applications received.
57. Some reservations were raised during the consultation that a public vote on funding can turn into a popularity contest, with less popular or more marginalised groups not receiving funding. If this happens there is potential for funding decisions to not fully represent the local community.

**Next steps:**

58. The council will take into consideration the concerns raised in the consultation when reviewing the existing participatory budgeting scheme in Thornhill and designing the proposed new participatory budgeting schemes.