



Haringey Council

Report for:	Cabinet on 18th December 2012	Item Number:	
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Title:	The One Borough One Future Fund
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Report Authorised by:	Mun Thong Phung, Director of Adult and Housing Services 
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Lead Officer:	Francine Oddy, Leader and Cabinet Office
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Ward(s) affected: ALL	Report for Key/Non Key Decisions: KEY
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1. Describe the issue under consideration

- 1.1. The £1.5 million One Borough One Future Fund was established in February 2012, to invite innovative ideas to tackle the biggest issues in the borough and help create new and dynamic services for Haringey.
- 1.2. This report recommends awarding a level of funding to 5 projects, following an application process of 2 phases. An Innovation Panel of cross-party members has judged all applications and selected the final successful projects.

2. Cabinet Member introduction

- 2.1. In developing the One Borough One Future Fund, my vision was to find ambitious new ideas that would redesign public service delivery in Haringey. I was looking for applications that would tackle social inequality in the borough and improve the lives of our residents.
- 2.2. In carving out a sum of £1.5 million, I was clear that this initiative was about investing now to save in the future. To be selected, applications needed to demonstrate how they would follow this model and be sustainable or self-sufficient after this funding ends.



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- 2.3. The response to this new initiative was outstanding, with almost 300 applications received from a wide range of organisations and individuals.
- 2.4. The Innovation Panel was set up to judge all applications, and is recommending 5 final projects to be awarded funding. With these innovative new projects I look forward to seeing some excellent outcomes delivered for our community.

3. Recommendations

- 3.1. Members are asked to approve an award of funding to the following 5 projects from the One Borough One Future Fund. Funding will be awarded to all projects in phases, with progress and performance against agreed targets to be reviewed at the end of each phase before further funding is released.
 - (a) **Family Action** for a sum of up to £299,455
 - (b) **Quaker Social Action** for a sum of up to £285,540
 - (c) **Carbon Management, London Borough of Haringey** for a sum of up to £45,000
 - (d) **Women Like Us and Community Development Foundation** for a sum of up to £20,000 for a feasibility study (original funding request of £350,279)
 - (e) **WorkLife** for a sum of up to £18,750 for a feasibility study (original funding request of £288,750)
- 3.2. It is recommended that projects (d) and (e) in 3.1 above are awarded only an initial phase of funding at this time in order to carry out feasibility studies. Any decision to continue to fund these projects will be brought back to the Cabinet for determination.
- 3.3. Forecast spend through funding awards **in financial year 2012/13 is £138,029**, owing to the nature of phasing grant funding to the projects over their duration. A carry forward request or transfer to an earmarked reserve on the balance sheet at year end is recommended for the remaining balance, to be drawn down against in future years. If all 5 projects are awarded their full amount of funding in subsequent phases and following approved feasibility work, the **total award of funding would be £1.29 million**.

4. Alternative options considered

- 4.1. The One Borough One Future Fund was set up to challenge current service provision, and create a space to innovate by funding pilot projects. The initiative in itself has been a new and bold approach for the Council, deemed necessary to ensure that services align with changing needs of residents in the borough.
- 4.2. All other applications at both Phase 1 and Phase 2 of the selection process have been considered and assessed, based on the criteria set out in section 5. The recommended final projects have been selected from those applications, on account of these merits.



5. Background information

- 5.1. A £1.2 million budget was set for the One Borough One Future Fund at Full Council's budget-setting meeting on 24 February 2012. This was increased by £300k to a total £1.5 million, by approval of Cabinet on 12 June 2012.
- 5.2. A sum of £14,485 has been spent on establishing and supporting the initiative. Spend has been on communications and promotion activity, and the costs of an innovation expert who has advised the Council on the application process and provided support to shortlisted applicants.
- 5.3. The initial call for ideas, Phase 1 of the One Borough One Future Fund, was open for applications for 6 weeks, between 31 May and 13 July 2012. A total of 287 applications were received.
- 5.4. An Innovation Panel of cross-party members was established to judge the applications, and a senior officer group was set up to assist the assessment process. The following criteria were set out; all ideas had to:



Reduce inequality



Meet needs which aren't currently being met



Offer a more efficient approach to deliver our objectives



Put the needs of the residents at the heart of the process



Offer value for money



Be sustainable and self-sufficient

- 5.5. Following assessment by the Innovation Panel 17 projects were shortlisted, and several applicants were partnered up to collaborate on their bid. These projects were given 6 weeks from 8 October to 20 November 2012 to develop up their ideas and submit a Phase 2 Application.
- 5.6. During the Phase 2 process, the shortlisted applicants were provided with guidance from an independent expert. An Innovation Fair was held on 15 November 2012, where members of the public, officers and councillors could meet the 17 shortlisted applicants to hear about their proposed projects.



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- 5.7. Feedback from the public was sought on the shortlisted projects. A total of 69 responses were received, which have been considered by the Innovation Panel in their assessments.
- 5.8. The Innovation Panel assessed the Phase 2 bids and selected 6 finalists to present their projects at a Final Pitch Event on 3 December 2012. The pitches were made in front of a group of questioning experts, and an audience of officers, councillors and members of the community.
- 5.9. The Innovation Panel recommends that in total 5 projects are awarded funding from the One Borough One Future Fund.
- 5.10. Funding will be awarded to projects in phases, with progress and performance against the agreed targets to be reviewed at the end of each phase before further funding is released. Grant Agreements will be established between the Council and the organisations, which will identify the key milestones, outputs and performance indicators that the projects will be monitored against.
- 5.11. The funding recommendations within this report are given for awards up to a certain figure. The exact funding award will be stated within each Grant Agreement.
- 5.12. Where applicants had included in their bids the costs of project monitoring and evaluation, these have been removed from each funding request. The Council will commission an external performance monitoring audit of the projects, to review their progress at the end of each phase before the Council may agree to release further funding. The Council will also undertake an internal evaluation study of the One Borough One Future Fund, to capture the learning across all projects and the overall process.
- 5.13. If the performance monitoring at the end of each phase identifies issues with a project, the project team in the Council will meet with the organisation to undertake a period of resolution of these issues. If performance does not improve in line with agreed targets, further funding will not be released to the project.
- 5.14. It is recommended that the Council enters into a Grant Agreement for the full project, with phases established for performance review, with the following 3 initiatives.

(a) Family Action

Type of Organisation: Charity

Description of Project:

In partnership with Hornsey YMCA, developing a network of volunteer hosts to provide short to medium term accommodation for children and young people who are experiencing family breakup. Hosts will provide safe accommodation while a trained key worker will provide one-to-one support to facilitate the return of children to the family home.

Funding Sought: £319,455



Funding Award Recommendation:

Remove project monitoring and evaluation costs of £20,000. Recommend a funding award of up to £299,455, made in quarterly phases over the 24 month duration.

(b) Quaker Social Action

Type of Organisation: Charity

Description of Project:

Supporting Haringey's most vulnerable residents through financial education to better manage money on a low income, working with schools, community groups and local employers. The aim of the project will be for residents to make informed decisions that save them money, improving social inclusion and participation in community life.

Funding Sought: £290,540

Funding Award Recommendation:

Remove monitoring and evaluation costs of £5,000. Recommend a funding award of up to £285,540, made in quarterly phases over the 24 month duration.

(c) Carbon Management, London Borough of Haringey

Type of Organisation: Department in Local Authority

Description of Project:

A collective energy switching scheme for residents in Haringey and North London, to secure the lowest cost energy tariff from a reverse auction. The aim would be to tackle fuel poverty and reduce carbon emissions, by also offering energy efficiency advice and green energy tariffs.

Funding Sought: £45,000

Funding Award Recommendation:

Recommend a funding award of up to £45,000, made in annual phases over the 24 month duration.

- 5.15. It is recommended that the Council awards only an initial phase of funding to the following 2 projects. Owing to the nature of these projects, this funding is to carry out full feasibility studies and market testing. Any decision to continue to fund these projects, on the basis of these studies, will be referred back to the Cabinet for determination. It is expected that the funding sought for the rest of these projects will also be refined as part of the feasibility studies.

(d) Women Like Us and Community Development Foundation

Type of Organisation: Community Interest Company

Description of Project:

Developing the Family Work and Enterprise Hub for low income families in Haringey to get into work. The project will create a face to face and digital service, working with local businesses to create more quality part-time and flexible jobs, and with parents to provide careers support.

Funding Sought: £350,279

Funding Award Recommendation:



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Recommend a funding award of up to £20,000 for a feasibility study only at this stage.

(e) WorkLife

Type of Organisation: Social Enterprise

Description of Project:

An enterprise and innovation hub that offers a co-working space with flexible, affordable childcare onsite.

Funding Sought: £288,750

Funding Award Recommendation:

Recommend a funding award of up to £18,750 for a feasibility study only at this stage.

6. Comments of the Chief Finance Officer and financial implications

- 6.1 Financial evaluations have been undertaken of the organisations recommended for support. To further minimise risk it is proposed to release funding in phases (expected to be quarterly) based on evidenced performance against targets and milestones. This will be clearly set out in the formal grant funding agreement.
- 6.2 Organisations (d) and (e) will, in the first instance, only receive funding to undertake feasibility studies, the outcomes of which will be assessed by an internal project team supported by the external evaluator and independent expert. A decision to fund these projects after that would be referred back to Cabinet, with appropriate recommendations both in terms of the viability and scope of the projects and also the level of any proposed funding.
- 6.3 Even if the total sums bid for are ultimately agreed and released there will be sufficient funds left within the original envelope to meet the costs of the recommended external evaluation and performance monitoring.
- 6.4 As the funding is to be released in stages, the total spend (both grant funding and advice / publicity costs) is forecast to only reach a maximum of £150k this financial year. It is recommended that the remaining funding is carried forward or transferred to an earmarked reserve on the balance sheet to be drawn down over the next 2 financial years.

7. Head of Legal Services and legal implications

- 7.1 The Council has the power to make grant funding awards under the One Borough One Future Fund pursuant to section 1 Localism Act 2011 (the general power of competence).
- 7.2 The Council's Contract Standing Orders in respect of procurement were not considered applicable to this type of funding arrangement as the One Borough One



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Future Fund is aimed at finding innovative solutions to service delivery and the amount of funding which could be requested and granted is variable, so following a procurement process would have been logistically very difficult.

- 7.3 The Council will ensure that all successful applicants enter into a funding agreement on the Council's terms and conditions. Monitoring provisions in respect of the funding will be included in the contract.
- 7.4 Consideration has been given as to whether the funding to organisations as set out in the report would contravene European State Aid provisions. This stems from the original EC treaty which provides that, "any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market."
- 7.5 The services to be provided by these organisations have been considered in the context of the state aid criteria set out above, the recent European Commission Regulation 360/2012 and case law. Accordingly, the risk of state aid could be said to be low and therefore any challenge is likely to be unsuccessful.

8. Equalities and Community Cohesion Comments

- 8.1. The One Borough One Future Fund aimed to find projects that will tackle social inequality in Haringey. All applications were assessed against their ability to make Haringey a more equal borough. Those recommended for an award of funding will be monitored against their performance to achieve this ambition.
- 8.2. Applications to the fund were invited from anyone in or outside of Haringey, whether as an individual or as an organisation. The call for ideas for publicised widely, to encourage anyone to apply.
- 8.3. Public feedback was sought on the 17 shortlisted projects, which has been taken into account as part of the assessment and selection process.

9. Head of Procurement Comments

This is a grant-funding initiative, and therefore procurement rules do not apply.

10. Policy Implication

All applicants have demonstrated how their project aligns with the Council's strategic priorities from the [Council's Plan 2012-14](#).

11. Reasons for Decision



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A £1.2 million budget for the One Borough One Future Fund was approved at Full Council's budget-setting meeting on 24 February 2012, and increased to £1.5 million by approval of Cabinet on 12 June 2012. The decision is now being taken to award an initial level of funding to projects recommended by the Innovation Panel of cross-party members, following a 2-phase application process. This decision will enable projects to commence their first stage of implementation or development in January 2013.

12. Use of Appendices

Appendix 1- Phase 1 Application Form and Guidance Notes

Appendix 2 – Phase 2 Application Form and Guidance Notes

13. Local Government (Access to Information) Act 1985

The following reports have been used and referenced in the preparation of this report:

- Full Council budget-setting meeting (24 February 2012)
Item 13: Report of the Director of Corporate Resources in respect of Medium Term Financial Planning for 2011/12 – 2013/14 and to agree the Council Tax for 2011/12.
- Cabinet meeting (12 June 2012)
Item 8: Financial Outturn 2011/12.