

MEETING: 14/11/2018

Ref: 14916

ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital

Community Southwark

Adv: Kate Moralee

Base: Southwark

Benefit: Southwark

Amount requested: £444,400

(Revised amount requested £326,875)

Amount recommended: £326,900

The Applicant

Community Southwark (CS), formerly Community Action Southwark (CAS), is the recognised umbrella organisation for the voluntary and community sector in both the London Boroughs of Southwark and Waltham Forest. CS has historically held a strategic position in Southwark and has a strong track record of partnership working with independent funders, statutory bodies and a wide range of voluntary organisations. In May 2015 CAS merged with Volunteer Centre Southwark to form CS. This merger has enabled the organisation to provide a wraparound service to the voluntary and community sector in Southwark offering capacity building services, providing influence and representation in local decision making and supporting social action. In November 2016 the charity was successful with a bid to deliver local infrastructure support services in Waltham forest and have established Community Waltham Forest (CWF).

The Application

The development of Southwark Giving (SG) has been informed by the research "A Tale of Two Southwark's" commissioned with support of the Trust in 2016. CS is requesting a contribution to the salary of a Community Investment Officer and the leadership role of SG and associated running costs to take SG to the next level.

The Recommendation

CS is a well-established infrastructure organisation with a strong track record of delivery in Southwark. It has secured the support of the business, public and voluntary sectors as well as local grant givers, has an effective and strong Strategic Partnership Board and has the in-depth knowledge and confidence of local communities to develop and deliver Southwark Giving. Whilst your policy is usually to award one grant to each organisation this application provides an exception as Community Southwark is the most appropriate agency to host Southwark Giving. During the assessment process your officer was informed that the CEO of CS had secured new employment and is leaving the organisation in January 2019. Due diligence established that CS has plans in place for the transition, are committed to the development of SG and have included a commitment to the ongoing development of SG in both the job description of the incoming CEO and in the Business Plan of CS. In addition, CS has secured £33,000 from a mix of businesses and local grant givers, with a further £5,000 committed on the confirmation of support from your Trust, and a further £20,000 projected from local grant givers. Two corporates have made a commitment to multi year funding, though it is difficult to project long term investment at this point. Following discussion with your Funding Manager and taking into consideration investment in other Local Giving Schemes, the applicant submitted a revised budget of £326,875 over 5 years. The application fits well with your Connecting the Capital programme and funding is recommended as follows:

£326,900 over 5 years (£65,380 per year) towards 0.6 fte Head of Southwark Giving and 0.4 fte Community Investment Officer, plus associated running costs for the development and consolidation of Southwark Giving.

Funding History

Meeting Date	Decision
11/05/2017	£100,000 over two years (£50,000; £50,000) for the salary of a Full Time (35hpw) Outcomes Framework Development Officer and associated running costs to deliver a monitoring and evaluation programme in Southwark and Waltham Forest.
24/05/2016	£4,000 to enable research to be commissioned that will provide an evidence base of the most pressing unmet, and potentially emerging, need in Southwark in order to inform the development of Southwark Giving.
10/04/2014	£146,900 over three years (£47,800; £49,100; £50,000) towards a full-time (35 hours per week) Outcomes Framework Development Officer and running costs for Community Action Southwark's monitoring and evaluation support programme.
15/03/2012	£85,500 over two final years (£42,000; £43,500) towards the salary and associated costs of the Volunteer Development project, subject to a satisfactory report on year 3 of the existing grant.

Background and detail of proposal

This project is informed by an in-depth research analysis of hidden, unmet and emerging local needs entitled *A Tale of Two Southwark's*. This research highlighted 27.6% children under 16 in Southwark living in poverty; 14% of mental health hospital admissions are aged 17 or under; and a higher than London average of over 50's claiming out of work benefits. These issues have been identified by the local community through consultation and will be the initial focus of Southwark Giving through and investment approach rather than open programmes.

The model adopted will: support matching business volunteers with VCS organisations to support capacity and sustainability; generate income for a local Fund from business donations, charity partnerships and philanthropic giving (Southwark has the benefit of a thriving corporate and SME community as well as a growing number of high net worth individuals) and increase cross-sector collaboration with the aim of increasing borough wide community investment and cross fertilisation of skills, knowledge and expertise.

This proposal clearly demonstrates the value of collaboration with SG having secured the support and confidence of Corporates in the Borough as well as that of public bodies, London Bridge BID, local funders and the voluntary sector. SG seeks to build on this initial commitment with support from The Trust, prioritising effective stewarding of existing corporates and the strategic partnership board, alongside the development of building links with local Small and Medium Sized Enterprises. SG already has an effective relationship with Heart of the City, which your officer will ensure continues, with Southwark being considered as a cluster for year 2 of Heart of the City's locally focussed programme. SG is also developing links with The Shard, which houses a significant number of SME's.

SG has identified some ambitious targets over the five years, which it is confident of achieving. The project is currently part of CS and benefits from the skills and expertise within CS as well as its excellent reputation. SG participates in the London Giving Network and has explored the different models of existing Local Giving schemes, considering this approach to be the best model for the borough's needs and resources.

Financial Information

The Charity relies heavily on income from statutory contracts; they received a contract from Southwark Council for 3 years in April 2016 with an option of a two-year extension and a 3-year contract from Waltham Forest in November 2016 to deliver infrastructure support services. CS restructured in April 2018 in response to reduced funding from statutory sources, five staff made redundant.

Year end as at 31 Mar	2017 Audited Accounts £	2018 Draft £	2019 Budget £
Income & expenditure:			
Income	1,262,288	1,328,351	1,228,849
- % of Income confirmed as at 25/9/18	n/a	n/a	96%
Expenditure	(1,380,856)	(1,455,372)	(1,210,364)
Total surplus/(deficit)	(118,568)	(127,021)	18,485
Split between:			
- Restricted surplus/(deficit)	(4,463)	(6,227)	17,000
- Unrestricted surplus/(deficit)	(114,105)	(120,794)	1,485
	(118,568)	(127,021)	18,485
Cost of Raising Funds	0	37,225	28,054
- % of Income	0.0%	2.8%	2.3%
Operating expenditure (unrestricted funds)	897,293	888,061	753,904
Free unrestricted reserves:			
Free unrestricted reserves held at year end	227,984	107,190	108,675
No of months of operating expenditure	3.0	1.4	1.7
Reserves policy target	224,323	222,015	188,476
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	3,661	(114,825)	(79,801)

