

Committee	Dated:
City Bridge Trust	25 th July 2019
Subject: Strategic Initiative: Participatory City Foundation (Ref: 15362)	Public
Report of: Chief Grants Officer and Director of City Bridge Trust (CGO)	For Decision

Summary

This report recommends funding for the Participatory City Foundation (PCF) towards a final two years of an ambitious 5-year project in the London Borough of Barking and Dagenham to develop and support widespread, effective and sustainable community participation and cohesion. The initial two years of this project have been a success and seen PCF work with local people to start dozens of different projects in neighbourhoods across Barking and Dagenham.

Recommendation

Members are asked to agree:

- a) **A further and final £450,000 over two years (£250,000; £200,000) to the Participatory City Foundation to deliver the *Every One Every Day* neighbourhood project across the London Borough of Barking and Dagenham.**

Main Report

Background

1. The London Borough of Barking and Dagenham is ranked the 9th most deprived in England. There are particularly high levels of need in the area, with its relative position against other London boroughs ranking bottom or near bottom across unemployment, exam results, homelessness, deprivation and low pay.
2. The Borough's demographics have changed rapidly over the last fifteen years, from 79% White British in 2001, to 49% in 2011. This has created a particular challenge for community cohesion.
3. Barking and Dagenham has a small voluntary sector (in terms both of number and size of organisations) and has long been identified as a Borough that receives less support from your Trust (and other funders) than might be expected given its high levels of disadvantage. As funding has been hard to place, the sector has struggled and key services supporting those most in

need have been weakened, creating a vicious circle of increasing need met by decreasing capacity.

Current Position

4. PCF was set up in 2017 to deliver the Participatory City neighbourhood project "*Every One Every Day*" in Barking and Dagenham. The organisation is now a registered charity. The charity began in the form of a CIC, led by Tessy Britton, who has spent the last eight years researching and prototyping new ways to support widespread practical participation. The largest scale test of this work to date, *Open Works*, ran in West Norwood, Lambeth in 2014 – 15. Your Committee supported the initial two year set up of the *Every One Every Day* project in July 2017 alongside and in collaboration with the Esmee Fairbairn Foundation, Big Lottery, and Barking and Dagenham Council.
5. 'Participation' can lead to a range of positive outcomes for individuals. It forms part of the academic concept of 'social capital', whereby civic engagement and involvement in community life can strengthen personal relationships, social network support and social trust. Measures of subjective wellbeing, happiness and satisfaction with life are strongly influenced by the extent of people's social networks and pro-social behaviour (doing things for others). Strong social relationships also have a positive impact on health outcomes, with the magnitude of the effect referenced as comparable to quitting smoking. At a community level, these outcomes are seen in improved economic output, reduced violent crime and improved educational performance.
6. In the UK, only 3% of people are involved in neighbourhood projects, but 60% say they would like to be involved in improving their neighbourhoods. This suggests that the barriers to growing and sustaining local projects are a structural and logistical challenge, rather than an innate human reluctance to participate. PCF has done excellent work so far in removing these barriers by ensuring participatory projects are nearby, accessible, free or low cost, simple to understand, range from beginner to expert, are open to all and focussed on attracting people on the basis of talents rather than needs. The platform that sits behind the projects mean that it is not left to one individual to sustain and resource an activity, the infrastructure instead sits centrally as opposed to individually for lots of very small organisations.
7. The project is designed specifically to be inclusive. There are three levels at which people can be involved: firstly, *Participating*: going along to an activity. Secondly, *Hosting*: eg running a Great Cook session and, thirdly, *Initiating*: developing a new project idea from scratch. It is intended that over time people will gain the skills and confidence required through participating to begin hosting and initiating. PCF is clear that individuals who are experiencing significant individual challenges are unlikely to be 'early adopters' and that none of the projects will be crisis-support services. They can, however, be an effective method of re-engaging individuals with the local community, and creating those supportive local networks that can prevent a return to crisis

levels of need. PCF will work alongside and in partnership with local voluntary sector organisations across the Borough.

8. Over the full five years of the programme PCF will support over 300 neighbourhood projects with 27,000 people involved regularly. Approximately 70 opportunities per week will be available within a five to fifteen minute walk of any resident's home, to achieve a minimum of 20% of local residents participating regularly in low commitment, imaginative, creative and socially beneficial activities. Ideas that have taken root elsewhere include Trade Schools - self-organised learning spaces that run on non-financial bartering; BzzGardens - that encourage bee friendly planting and shared food growing in public spaces; and Great Cook - where people come together to batch cook meals and take home portions for the week. The common characteristic is that project ideas are rooted in the needs and aspirations that people in communities have themselves expressed.
9. The setup of new projects is made possible by the support structure that PCF puts in place and which will coordinate the design and testing of ideas, arrange insurance, find spaces, buy equipment, ensure health and safety, promote projects and track outcomes. The teams will be based in five high street shop HQs across the Borough, designed to be accessible spaces that people will wander in to discover more. There will also be more targeted outreach to engage local community, as well as referrals from voluntary and public sector bodies. The two years of support being recommended will help initiate the setup of the project in an initial two areas of the Borough, increasing to three in the second year.
10. The *Every One Every Day* programme has developed a range of projects over an initial two year period, working in collaboration with local businesses, the voluntary sector and Barking and Dagenham Council. Your officer has attended quarterly funding board meetings made up of staff from Esmee Fairbairn Foundation, The National Lottery Community Fund, Barking & Dagenham Council and more recently the Greater London Authority (GLA). This project has had funder collaboration at its heart with all funders working together to ensure the project is a success. So far two shops have been open in Barking Centre and at a site in Dagenham which have been well received. PCF has recently acquired a large warehouse facility in Dagenham through funding from the Better Growth fund from the GLA. The space is now open and has been transformed into a 'maker space' allowing local residents opportunities to engage in different craft activities, set up micro-businesses and develop new ideas.

Outcomes

- a) *Residents of Barking & Dagenham have opportunities to learn and develop, improving their own lives and those around them.*
- Project participants going on to take part on formal education/training; Increased numbers initiating local projects; Improvements in reported

wellbeing; New friendships and support networks created, increased physical activity.

- b) *The Borough becomes a place where everyone feels safe, welcome and optimistic about the future.*
 - Reduction in hate crime; increased pride and ownership of open spaces; increased capacity within the community to respond to problems; building diverse social networks.
- c) *The benefits of participation at scale are evidenced, proven and documented for further replication.*
 - Network of 300 projects reaching 27,000 regular participants established; positive outcomes tracked and evidenced; all systems required for replication created.

The organisation

11. PCF registered as a charity in October 2017 and was set up specifically to deliver this project in Barking and Dagenham. In July 2017 your Committee made an exception when supporting this project at its inception as it was a new organisation as the initial funding from the Trust was in collaboration with several funders – the others being the Esmée Fairbairn Foundation; Big Lottery; and the London Borough of Barking & Dagenham. All three funders remain committed to the project with the GLA and Bloomberg committing support to the programme in the past year.
12. PCF is built on a strong research base and previous piloting. Coupled with a compelling need in Barking and Dagenham the project is beginning to effect significant change. This has been made more realistic by the close involvement of the Local Authority, who sees this project as key to achieving their Borough Manifesto. Over the course of the last two years the Council has worked collaboratively with the other funders and PCF to ensure the success of the project. The strategic insights of borough-based issues and services has been invaluable in supporting and forming the participatory approach.

Financial considerations

13. The table below outlines PCF's current position and expected forecast and budget. Funding has been agreed by Barking Dagenham Council for the full 5 years of the project including considerable in-kind support from officers. The National Lottery Community Fund has recently agreed a further £1.5 Million to support the project over 5 years and Esme Fairbairn remain committed to the project over the remaining years of the project. Funding from the Trust is being requested over a two-year period, with no funding in the 5th year of the project. As PCF look at engaging other funders this provides the Trust with a well-planned exit strategy from the programme, while ensuring its success over the next two years. PCF has requested to have a larger sum of

£250,000 in the first year as this is a crucial year in project delivery as the project expands to other locations across the borough, the final year of the grant will then drop to £200,000. An application to Bloomberg has been successful and this will go some way to supporting the Everyone Everyday project once your support comes to an end.

14. It should be noted that PCF has a considerable surplus in restricted funding in 2018, this is due to the timing on some of the initial projects slipping. Staff recruitment, signing of lease agreements, the set up of a digital platform and the new arrival of the warehouse concept have meant there was an underspend. With agreement of the Funding Board PCF have agreed to spend this down across the remaining years of the project.

15. PCF has very low unrestricted reserves, however all of the funding received is restricted to deliver the Everyone Everyday project. Restricted reserves at year ending July 2018 were £937,887 to cover the ongoing delivery and staff costs of the work. As the organisation was set up solely to deliver this project, they are viewing the budget over a five year period and have sufficient cash flow to deliver each element of the work.

Year end as at 31st July	2018	2019	2020
	Signed Accounts	Forecast	Budget
	£	£	£
Income & expenditure:			
Income	1,742,709	1,425,000	1,320,000
- % of Income confirmed as at 15/05/2019	N/A	100%	81%
Expenditure	(741,700)	(1,648,997)	(1,389,097)
Total surplus/(deficit)	1,001,009	(223,997)	(69,097)
Split between:			
- Restricted surplus/(deficit)	937,887	(223,997)	(69,097)
- Unrestricted surplus/(deficit)	63,122	0	0
	1,001,009	(223,997)	(69,097)
Cost of Raising Funds	0	10,748	10,748
- % of Income	0.0%	0.8%	0.8%
Total Expenditure	741,700	1,648,997	1,389,097
Free unrestricted reserves:			
Free unrestricted reserves held at year end	17,709	17,709	17,709
No of months of operating expenditure	0.3	0.1	0.2
Reserves policy target	92,713	206,125	173,637
No of months of operating expenditure	1.5	1.5	1.5
Free reserves over/(under) target	(75,004)	(188,416)	(155,928)

16. Throughout the five years of delivery, PCF in collaboration with the Council plans to form and develop the Barking and Dagenham (B&D) Foundation. The neighbourhood teams will be transferred to the B&D Foundation, supported by an endowment established over the five years. The endowment will be similar in many ways to local Community Foundations across the country but will support the participatory platform as opposed to distributing small grants. The endowment will be grown through local businesses, development projects and

philanthropy. Fundraising efforts are being led by the local authority in Barking and Dagenham, who also plan to set up a community lottery to support this. The development of the Endowment has not been included in this budget as it will be initiated and managed by the council rather than PCF and will support the sustainability of the B&D Foundation in the future.

17. **Project Team:** Will meet on a quarterly basis and will report to the funding board. Will have the oversight of the financial plan and will be responsible for financial oversight and board strategy. The project team will be made up of PCF Staff Members and designated Senior Officers from Barking and Dagenham Council.
18. **Working Group:** Will meet monthly but weekly for the first 6 months of the project. The working group will be responsible for overseeing and ensuring delivery of the project plan. Will have small scale strategy and financial oversight and will deal with issues that arise in the delivery of the project on an operational level. The Working group will also consist of a mix of PCF staff and council officers.
19. **Funding Board:** Quarterly meeting of all funders who will review the Development Report and will approve release of the next quarterly payments. This has been a successful way of engaging with a new and innovative project as it grows and develops.
20. **PCF Board of Trustees:** Will meet bi-monthly and have financial and strategic oversight and approval. Currently they have 7 members on their board.
21. **Appropriate Payment Authorisations** are in place and in line with Charity Commission best practice. If funding is awarded it is intended that all further payments are released quarter by quarter and subject to your officer's scrutiny to ensure that the project is being delivered to plan.

Conclusion

22. This proposal is to continue to deliver two further and final years of the *Everyone Everyday* project in Barking and Dagenham. The project is a good example of place-based working, bringing all resources in an area to bear (people, skills, physical assets etc) to improve the wider community and achieve the aspirations people have for the place they live. It will engage a cohort of significant funders, working together with the local authority to improve the lives of several thousand disadvantaged people. PCF has agreed to share the learning and to fully engage with the London's Giving programme to share the model.

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Summary Assessment of Strategic Initiative for Committee Decision
(Use: Y/N/Potentially or N/A where relevant)

FILTERS	
Will The pro-active grant:	
Further the Trust's Vision and Mission?	Y
Support work within the Bridging Divides programmes?	Y
Or, meet a clear need that has arisen since Bridging Divides were agreed?	
Have the potential for impact beyond that of an individual reactive grant or number of individual grants?	Y
Be affordable within the agreed annual budget (from the Trust alone or in combination with other funders) and, looking forward, leave sufficient budget to meet anticipated pro-active grants for the remainder of the financial year?	Y
Be made to an organisation(s) that conforms to the Trust's eligibility criteria and has the capacity and expertise to deliver the work?	Y

PRIORITISATION GUIDANCE	
Evidence	
Is there external and/or internal research and information that supports the need for the proposed grant?	Y
Is there external and/or internal research and information that indicates the approach proposed in the grant will be successful?	Y
Is there evidence that indicates the work will be hard to fund from other sources?	In part
Impact	
Will the grant tackle a root cause(s), or positively influence policy or practice?	Y
Will the work/approach funded be replicable?	Y
Does the grant provide an opportunity to strengthen Civic Society in London?	Y
Is the work sustainable beyond the period of the grant?	Y
Can the impact of the work be measured through evaluation?	Y
Leverage	
Will the grant particularly benefit from the Trust's and the Corporation's distinctive networks and connections? Is there an opportunity to add value in this regard?	Y
Will the grant be able to build on the Trust's, and its existing grantees'/investees', knowledge and expertise?	Y
Will the grant have the potential to leverage any other funding from other sources?	Y
Spread	
Geographic	

Will the grant support work in a geography where there is high need but relatively low Trust spend?	Y
Thematic	
Will the grant support work in a thematic area of the Bridging Divides Programme where there is high need but relatively low Trust spend?	N/A
Portfolio	
Within the Trust's Strategic Initiative portfolio, is the grant duplicating or complementing anything already funded?	This is a continuation of an existing Strategic Initiative
Approach	
Will the grant enable better collaboration between relevant organisations?	Y
Is the proposed work across more than one LA or is London-wide?	Barking & Dagenham
Does the proposed work explicitly link the private, statutory and voluntary sectors?	Y