

MEETING: 30/10/2019

Ref: 15363

**ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital****Kensington and Chelsea Social Council****Adv: Tania Bronstein****Base: Kensington & Chelsea****Benefit: Kensington & Chelsea****Amount requested: £241,776****{Revised request: £238,448}****Amount recommended: £210,000****The Applicant**

Kensington and Chelsea Social Council (KCSC) is the main provider of infrastructure support for community and voluntary organisations (CVOs) in its Borough. It reaches c.300 CVOs through information, advice, and training services. KCSC also facilitates the voice of, and represents the local voluntary sector at strategic levels

**The Application**

KCSC seeks funds for a four-year project aimed at increasing residents' engagement in designing, delivering and influencing their services. The project will: (a) train and support CVOS on participatory models of involving residents; (b) deliver roadshows and media events to attract local people to social action and CVOs; and (c) train residents to effectively influence local decision-making structures.

**The Recommendation**

Gaps that came to the fore in the aftermath of the Grenfell fire and new spaces for civic participation in the Borough make this project warranted and timely. KCSC and its partner the Volunteer Centre Kensington & Chelsea (VCKC) have complementary skills to deliver this project well. There is a mistake in the calculation of the original request – the total comes to £200,766 (not £241,766 as requested. KCSC has since sent a revised breakdown totalling £238,448 The level of grant now recommended results from careful consideration of this revised budget against the plan of work submitted.

***A grant of £210,000 over four years (4 X £52,500) towards 0.8 FTE salary costs, programme costs and overheads of delivering a programme to increase resident's voice and participation in running and influencing local services. The second year's grant is conditional upon an increased level of free reserves.***

**Funding History**

Meeting Date	Decision
26/11/2015	£20,000 (unrestricted as part the Trust's 20th anniversary
07/09/2011	£198,300 over three years (£66,500; £65,550; £66,250) towards a project increasing the number and the skills base of individuals volunteering as trustees in Kensington & Chelsea.

**Background and detail of proposal**

This project seeks to increase local residents' engagement with local CVOs and in decision-making structures - seen as critical to rebuild community and trust in the aftermath of the Grenfell Tower tragedy. Local grassroots groups such as residents' associations stepped up to the challenge of offering emergency relief and gave voice to survivors' concerns while the responses of some of the other, more established,

CVOs were deemed by some to fall short. KCSC believes that this is a consequence of a deficit in the participation of local people in CVOs in the Borough. This project proposes interventions with CVOS and interventions to engage local residents. The expertise of KCSC lies in working with CVOs, not with individuals. This project therefore plans to contract VCKC for activities planned to attract residents, tasks which it can deliver well given its track record connecting and integrating local people with CVOs and their community through volunteering.

### **Financial Information**

The higher turnover in 2017/18 owes to a surge in donations for local CVOs after the Grenfell tower tragedy. KCSC draws about 90% of its income from statutory sources. West London CCG, the largest source, pays multi-year grants/contracts in advance, and accounts show successive deficits in restricted funds because this has been treated as deferred income. Given that over 57% of incoming resources are re-distributed to local CVOs, the percentage for costs of raising funds in the table cannot be construed as an indication of cost benefit. The sum in 2019-20 is estimated and will be disclosed in the accounts in future.

The reserves policy is reviewed annually. In 2018 the policy target equated to 5 months of core costs, and from 2019 this changed to 6 months total running costs. The widening gap between the holding and the target is partly due to the change of the basis in which the policy is based (running costs being higher than core costs). KCSC is working to increase unrestricted income. A recently secured 3-year core grant of £22,000 p.a. is expected to reduce deficits on unrestricted funds in the near future. Also, KCSC holds designated funds (£134,849 at 31.03.19) which judging by past trends, the trustees can un-designate if this were necessary.

<b>Year end as at 31st March</b>	<b>2018 Signed Accounts £</b>	<b>2019 Draft Accounts £</b>	<b>2020 Forecast £</b>
<b>Income &amp; expenditure:</b>			
Income	1,312,764	960,645	824,161
- % of Income confirmed as at 05.08.2019	N/A	N/A	93%
Expenditure	(1,058,158)	(1,227,102)	(897,711)
<b>Total surplus/(deficit)</b>	<b>254,606</b>	<b>(266,457)</b>	<b>(73,550)</b>
<b>Split between:</b>			
- Restricted surplus/(deficit)	161,926	(216,582)	(56,949)
- Unrestricted surplus/(deficit)	92,680	(49,875)	(16,601)
	<b>254,606</b>	<b>(266,457)</b>	<b>(73,550)</b>
Cost of Raising Funds	-	-	15,253
- % of income	0.0%	0.0%	1.9%
Annual costs upon which reserves policy is based	435,268	528,000	530,320
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	271,050	230,006	213,405
Number of months as per basis of reserves policy	7.5	5.2	4.8
Reserves policy target	178,758	264,000	265,160
Number of months as per basis of reserves policy	5.0	6.0	6.0
Free reserves over/(under) target	92,292	(33,994)	(51,755)