

<b>Grants Determination (Cabinet) Sub-Committee</b>  6 <sup>th</sup> November 2019	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Sharon Godman, Divisional Director, Strategy, policy and performance	<b>Classification:</b> Unrestricted
<b>Local Community Fund (LCF) Mitigation and Transition</b>	

<b>Lead Member</b>	<b>Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector</b>
<b>Originating Officer(s)</b>	David Freeman, VCS Strategy Manager
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Forward Plan Notice Published</b>	[Insert date notice was published]
<b>Reason for Key Decision</b>	n/a
<b>Strategic Plan Priority / Outcome</b>	<b>All</b>

### Executive Summary

This report provides an update for the Sub Committee on the proposals for implementing the mitigating actions identified in the equality analysis of the voluntary and community sector (VCS) funding programme, the Local Community Fund agreed at Cabinet on 31<sup>st</sup> July 2019 including the extension of mainstream grants (MSG) funding to a number of services from 1<sup>st</sup> October 2019 to 31<sup>st</sup> March 2020.

The report also provides details of the mobilisation of the Local Community Fund and transitional arrangements for organisations funded previously under MSG as agreed in principle at Cabinet on 31<sup>st</sup> July 2019.

### Recommendations:

The Sub-Committee is recommended to:

1. Note the progress and budget allocation relating to the transitional arrangements and equality mitigation actions for projects whose current MSG funding came to an end on 30<sup>th</sup> September 2019 as set out in the report and appendices
2. Agree the propose changes to the Emergency fund as set out in paragraphs 3.7 including the new name, 'Contingency Fund'.

3. Agree the variation of funding conditions in individual cases as set out in paragraph 3.9
4. To note the specific equalities considerations as set out in Paragraph 4.

## **1. REASONS FOR THE DECISIONS**

- 1.1 The Mayor in Cabinet agreed on 31st July to a programme of funding for voluntary and community sector (VCS) organisations from 1st October 2019, a number of transitional arrangements for organisations currently funded under MSG that will not be funded under the LCF and an action plan to mitigate the impact of the change in funding from MSG to LCF on people with protected equalities characteristics.
- 1.2 This report provides an update on progress in implementing the transition programme and equality mitigation actions

## **2. ALTERNATIVE OPTIONS**

- 2.1 The council could decide to close the current MSG programme without implementing any action to mitigate the impact of closure on people with protected equality characteristics. However, this option could leave the council in breach of its duties under the Equality Act 2010 for failing to implement mitigation for negative impact on people with protected equality characteristics identified in the Equality Analysis relating to the change from MSG to the LCF in funding projects provided by VCS organisations.

## **3. DETAILS OF THE REPORT**

### **Background**

- 3.1 The Mayor in Cabinet agreed on 31st July to a programme of funding for voluntary and community sector (VCS) organisations from 1st October 2019, a number of transitional arrangements for organisations currently funded under MSG that will not be funded under the LCF and an action plan to mitigate the impact of the change in funding from MSG to LCF on people with protected equalities characteristics.
- 3.2 Following further consideration by the Overview and Scrutiny Committee of matters raised through the call in of these decisions, on 16<sup>th</sup> August 2019 the Mayor confirmed his decisions made on 31<sup>st</sup> July and asked officers to provide details of equalities mitigation for organisations whose MSG funding ended on 30 September 2019 at a future meeting. Set out at Appendix A are the agreed equality mitigation actions, timescales and the progress so far.

- 3.3 To mitigate the impact of the change from MSG to the LCF on community based facilities for older people and, in particular, services provided by community led organisations for elders, the Mayor agreed to set up a new theme in the existing Small Grants Programme. Details of the new small grants themes are attached at appendix B.
- 3.4 The extension to MSG agreed by the Sub-Committee at its last meeting to continue funding for community based services for older people, the Lunch Club Strand of the MSG programme, will allow the continuation of these projects until the new small grants are available. Existing community based services will be encouraged to apply to the small grants programme.
- 3.5 Also attached at appendix B is the detailed scheme for the small grants theme agreed at Cabinet to address the wider issue of access and participation as an equalities consideration in relation to race. There are services which have been provided by organisations led by members of the communities they serve such as the Somali and travellers of Irish heritage communities. While alternative services may be available through the LCF to meet the needs of these service users, some may choose not to use them for a range of reasons. The new small grants theme 'Access and Participation' agreed at Cabinet will provide the opportunity for VCS groups run for and led by smaller and isolated BME communities to seek funding for activities that address issues around access and participation.
- 3.6 The extension of funding to some MSG funded projects and new small grants themes were part of the suite of transitional arrangements and actions to mitigate negative impact on people with protected equalities characteristics set out in Appendix A. Appendix C sets out the anticipated costs of these arrangements and actions. These costs can be met from existing budgets.

### **Contingency Fund**

- 3.7 Following on from the 11 September 2019 Grants Determination Sub-Committee where it was suggested that the Emergency Fund (EF) could be looked at as a potential source of transition funding, key changes are proposed for the revised scheme:
- a) Rename the fund to the VCS Contingency Fund to reflect the change from being purely a fund to support organisations facing 'life and limb' emergencies to a fund that may also support organisations facing significant loss of council funding;
  - b) Allow organisations funded through MSG up to 30 September 2019 to be considered for transition support if they,
    - 1. Provided a service supported through MSG for the past year with satisfactory performance;
    - 2. Submitted a bid to the LCF to continue or develop the MSG funded project or projects;
    - 3. Achieved a score in its LCF bid of 50 or more;

4. Can demonstrate the project cannot be funded from unrestricted reserves (taking account of the organisation's reserves policy and any designated funds);
5. Can demonstrate that it has applied for, or there is a realistic prospect of, alternative funding for the project and is awaiting the outcome, and that transition support will keep its doors open for local residents and service users in the meantime.

An organisation funded to 30 September 2019 through the former Mainstream Grants Programme may also be considered for transition support if it meets criteria 1-4 above and:

6. Can demonstrate transition support for a limited period can unlock external funds, or
  7. Can demonstrate transitional support for specific capacity building work will make it more sustainable and less dependent on public funds.
- c) Revise the general criteria to 'need to be funded by the Council within 1 year' as opposed to 2 years in the most recent revision.

3.8 The revised scheme is set out at Appendix D.

### **Local Community Fund Mobilisation**

3.9 50 new projects have been funded through the Local Community Fund. The mobilisation process requires the detailed discussion of outcomes and performance indicators, confirmation of information submitted in funding bids and due diligence checks. Following the Mayors confirmation on 16<sup>th</sup> August of decisions made at Cabinet on 31<sup>st</sup> July, officers have entered into those detailed conversations with organisations offered LCF funding and concluded funding agreements with 49 of the projects. The one remaining project is a consortium bid and the conclusion of the funding agreement is awaiting confirmation of the Memorandum of Agreement by all consortium members. The outcome of this remaining funding agreement will be reported to the Sub-Committee as part of the regular monitoring reports of the Local Community Fund.

3.10 Payment of funding is conditional on organisations that occupy or use council owned premises having a satisfactory premises agreement in place. Two organisations that have been funded through the LCF are in the process of negotiating lease agreements with the council. The negotiations with the council are active and it is likely the outcome will be concluded in a reasonable timescale. The Sub-Committee is therefore asked to waive the funding condition requiring a satisfactory premises agreement to be in place to allow payments to be made to,

1. Age UK East London in relation to occupation of 82, Russia Lane, and
2. REAL in relation to occupation of Jack Dash House.

Progress in relation to these two premises issues will be reported to the Sub-Committee as part of the regular monitoring reports of the Local Community Fund.

#### **4. EQUALITIES IMPLICATIONS**

- 4.1 A detailed equality analysis was carried out on the change MSG to the new Local Community Fund. This report is primarily concerned with implementing mitigating actions in relation to community language provision and to day services for older people, particularly where this is provided by community based organisations.
- 4.2 The detailed equality analysis can be found at appendix A of the report on the Local Community Fund to Cabinet on 31<sup>st</sup> July 2019.

#### **5. OTHER STATUTORY IMPLICATIONS**

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding.
- Data Protection / Privacy Impact Assessment.

##### 5.2 Best Value

Recent legislation, particularly the Localism Act 2010, has emphasised the role of communities working in partnership with local authorities to help achieve more effective and less costly services to local people. The process of co-production of services delivered by local voluntary and community organisations is a tool now widely recognised as a means to achieving this outcome.

##### 5.2 Risk Management

- a. Uncertainty will have an impact on staff morale in organisations currently funded through MSG. There is therefore a risk of the loss of experienced and skilled staff who seeks alternative employment if they perceive that their future employment is insecure. Timely decision making by the council will mitigate the potential impact of this risk, particularly ensuring that funding decisions are made in advance of

MSG funded organisations issuing protective redundancy notices to staff at the end of the funding.

### 5.3 Crime Reduction

There are no specific crime reduction considerations arising from this report.

### 5.4 Safeguarding

There are no specific safeguarding implications arising from this report. However, ensuring appropriate consideration is given to safeguarding will be addressed in the development of the Local Community Fund programme, both through governance requirements and in the capacity building programme for the sector proposed.

## 6. **COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 This report notes the progress and budget allocation of the transitional arrangements and equalities mitigating actions of the current MSG programme. The total cost will be fully funded from the MSG budget for 2019-20.

## 7. **COMMENTS OF LEGAL SERVICES**

- 7.1 The Council has the legal power to undertake the actions detailed in this report.
- 7.2 In the main this report is for noting only so the legal commentary relating to the mitigation strategy as part of the original decision making process remains unchanged. However, the activity detailed in this report corresponds with and is appropriate to that previous legal commentary.
- 7.3 Recommendations 2 and 3 relate to the introduction of new criteria to the grants process. However, these new requirements will be advertised as part of the application process and applied equally to all applicants. Therefore, it is lawful to introduce these conditions.
- 7.4 The Council is continuing to assess the position on equalities as this scheme progresses and has taken and is taking appropriate action in order to meet its duties under the Equality Act 2010
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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- NONE

### **Appendices**

- Appendix A Transitional Arrangements and Equality Mitigation Actions
- Appendix B Schemes for new small grants programme themes
- Appendix C LCF Transition and EA Mitigation Costs

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- NONE

### **Officer contact details for documents:**

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## Transitional Arrangements and Equality Mitigation Actions

Actions Proposed	Timescale	Progress
Notice of decisions	Aug-19	Complete
Alternative provision for service users where a service is significantly reduced or comes to an end	Aug-Oct 19	Officers from the Voluntary Sector Team are actively engaging with organisations to identify alternative provision for service users where appropriate.
Target and promote new services funded under LCF programme	Aug-Nov 19	Organisations have been asked to engage with the council's social media channels to promote new services.
Capacity building	Aug 19- Mar 20	Contract in place for Tower Hamlets Council for Voluntary Service (THCVS) support package that includes training sessions, individual support to organisations referred by the council and targeted support, eg Somali groups. Other measures to be delivered by the council commented on below.
Transitional support	Aug – Dec 19	Officers from the Voluntary Sector Team are actively engaging with organisations previously funded through MSG to develop transition action plans for their services. All MSG organisations have been contacted and programme of visits/conversations arranged. Referral process in place with THCVS. Revised criteria for emergency fund to be proposed at GDCSC in November to include wider scope for transitional funding support.
VCS Small Grants programme	(ongoing)	Small Grants Programme continues to March 2023. 1st round to be reported to GDCSC in November. 2nd round closed 24th September. Update will be included in GDCSC November report.
Tower Hamlets Funders Forum and Funders Fairs	Apr-20	Initial discussions held with THCVS and the East End Community Foundation on Funders' Forum Funding Fair managed by THCVS scheduled for March 2020.
Tower Hamlets Spacehive programme	(ongoing)	Dedicated officer support in place to develop crowdfunding initiatives, particularly for organisations previously funded through MSG.
Retain the Emergency Fund	Aug 19- Mar 21	Retained as part of transition support package. Report to go to GDCSC on 6th November proposing criteria to make it more accessible for transition funding.
Support organisations facing significant change and possible cessation of service	Ongoing	Capacity building and other transitional arrangements in place as set out above.
Manage transition of community language services	Mar-20	Agreed extension of funding to 31 March 2020 for projects supported under MSG in the community language theme. Review scheduled to report to Members by the year end.

Maintain participation and access for BME communities	Apr-20	Include a new theme in the Small Grants Programme relating to access and participation to establish schemes to provide referral gateways for people from BAME communities. Draft out for consultation during September/October. Final scheme to be reported for noting to GDCSC on 6th November
Provision for young people's mental health	Dec-19	Proposal under development. Current timescale development Oct/Nov, tendering Dec/Jan and contract live from 1 April 2020.
Provision for early years age children or pregnant and new mothers	Dec-19	Proposal under development. Current timescale development Oct/Nov, tendering Dec/Jan and contract live from 1 April 2020.
Provision for young carers priority	Dec-19	Proposal under development. Current timescale development Oct/Nov, tendering Dec/Jan and contract live from 1 April 2020.
Sports provision for young people with disability	Dec-19	Proposal under development. Current timescale development Oct/Nov, tendering Dec/Jan and contract live from 1 April 2020.
Support for community led older peoples services, particularly those led by BME communities	Apr-20	Include a new theme in the Small Grants Programme to support projects which combat social isolation of older people, particularly in BAME communities, through community based services which will be reviewed over time in the context of the development of the council's review of day care for older people. Draft out for consultation during September/October. Final scheme to be reported for noting to GDCSC on 6th November
Geographical Spread	Ongoing	Proposals were assessed to establish whether there was evidence or track record to indicate the borough wide bids could deliver to residents across Tower Hamlets. This will be a specific element of the ongoing assessment of LCF funded projects.
Somali Groups – targeted support to build capacity	Ongoing	THCVS to arrange targeted support Initial meeting to be arranged through THCVS
High risk MSG organisations -	Oct/Nov 19	Initial high risk group identified (financial stability) Second group emerging (ongoing commitment to service users) Arrangements in place for referral to THCVS for bespoke support package Potential call on transition fund.
Information & advice – consortium	Oct/Nov 19	LCF consortium will engage with other providers to potentially expand the consortium for bids for other funding and contracts.

## LB Tower Hamlets VCS Small Grants Programme

# Access and Participation Theme

### Establishing access and participation schemes to provide referral gateways for people from BAME communities

Public services are constantly seeking ways of ensuring services reach those who are most vulnerable and 'unreached' in society. Trust is a significant barrier for many. The purpose of this funding theme is to support voluntary and community sector (VCS) groups which are trusted by their communities to provide referral, support and informal advocacy services, connecting residents to the services that might be best to meet their needs and providing wider intelligence on the needs of their community.

This small grants theme is to support VCS groups run for and led by smaller and isolated BME communities. We are seeking to fund activities that will enable community groups to act as a source of information and signposting – a gateway for local residents to gain access to specialist services that will meet their needs – and also activities that will help small organisations act as informed advocates on behalf of the communities they represent.

While this theme will support information and signposting, it will not fund advice services which should be delivered by organisations with an appropriate quality standard or accreditation.

Funding can be used flexibly but is primarily intended to cover revenue costs. Funds can be used to fund a whole project or to pay for elements of a wider project there must be a quantifiable contribution to the proposed activity either in cash (other funding) or in kind (volunteer time, rent free premises etc). However, we do not require match funding

The total budget for this theme is £50,000 per annum. We anticipate that this theme will fund 10 to 15 projects with a range of annual funding levels up to a maximum of £5,000 per annum.

### Tower Hamlets Plan and Strategic Plan Priorities

C1	Strong, resilient and safe communities	
C2	Better health and wellbeing	
C3	Good jobs and employment	
C4	A better deal for young people	
S1	People are aspirational, independent and have equal access to opportunities	
S2	A borough that our residents are proud of and love to live in	
S3	A dynamic outcomes-based Council using digital innovation and partnership working to respond to the changing needs of our borough	

### Theme priorities (Links to TH Plan and Strategic Plan Priorities listed above)

1. Developing pathways for residents from smaller minority communities to gain access to public services to meet their needs (All TH Plan priorities, S1 and S2)

2. Developing trusting relationships between public service providers and local residents (C1, S1 and S3)

### Theme outcomes

1. **Greater access to public services.** By providing support within the community vulnerable and 'hard to reach' residents have pathways to gain access to public services that meet their needs.
2. **Increased community resilience.** Community organisations are better able to support local residents and represent their needs.

### Examples of projects and activities

- Volunteer based information, signposting and advocacy services
- A programme of community forum meetings
- Partnership work with a service provider to deliver targeted outreach activities or sessions

### Eligibility

#### 1. Size of organisation

Organisations with an annual turnover in excess of £250,000 are not eligible to apply to the Small Grants Programme.

This theme will give priority to organisations with a turnover of less than £50,000 per annum

#### 2. Not for Profit

The grants programme will only support activities run by groups which can demonstrate they are set up as not for profit groups. The types of organisation which the Council considers to be not for profit is set out in the VCS Strategy and included in this policy framework at appendix B.

Individuals are not eligible.

#### 3. Locally based

The grants programme is intended to support the local VCS and community activity. The eligibility criteria for all grant themes reflect this principle.

Organisations based outside the borough are not excluded from eligibility but they must show very clear connections to Tower Hamlets either through existing activity or local leadership of the proposed project. Applications will be encouraged from organisations based across the borough.

#### 4. Good governance

Organisations will be expected to achieve an acceptable level of governance with appropriate policies for the activities they propose to undertake. The acceptable level will be proportionate to the size of organisation and type of activity. The Council will accept applications from organisations in the process of developing appropriate policies but funding will not be paid until they are in place.

Proposals from un-constituted groups will be accepted but these should be supported by an organisation with appropriate levels of governance which will act as the 'accountable body' for any funds awarded.

### **5. Other criteria**

This theme will only support organisations which can show that at least 50% of their trustees/committee/board members are from BME communities.

### **Levels of Funding Available**

Up to £5,000 for one year with potential extension for a second year. Extension funding will be awarded following a submission of monitoring and evaluation information and positive assessment of the project

The total budget for this theme is £50,000 per annum. We anticipate that this theme will fund 10 to 15 projects with a range of annual funding levels

### **Monitoring arrangements**

Six monthly progress report and annual/end of project report and visit.

## LB Tower Hamlets VCS Small Grants Programme

# Community Support Services for Older People Theme

### Combatting social isolation of older people through the provision of community based support services

The benefits of providing community support services for older people are well documented in helping to promote wellbeing and a longer healthy life through reducing social isolation, increasing physical activity and maintaining independence in older age. The Equality Analysis of the change from the council's Mainstream Grants programme to the Local Community Fund highlighted a potential impact on services for older people, particularly those from smaller minority communities who use services provided by organisations led by members of their own community.

This small grant theme focusses on supporting community based services run by BME led community groups. We are seeking to fund activities that bring older people together and provide activities that will increase independence and wellbeing and reduce social isolation.

The total budget for this theme is £100,000 per annum. We anticipate that this theme will fund eight to ten projects with a range of annual funding levels.

### Rationale for grant funding set out in the VCS Strategy

Empowerment	responsive to new and emerging needs
Innovation	provides the financial means for communities to do things for themselves
Flexibility	can adjust to meet changing needs
Reach	can be accessible to groups which would not otherwise be able to get funding through contractual arrangements
Risk	shares the risk of new innovation between the provider and the funder
Cost effective	can lever in other resources to support community activity

Meets all six criteria for grants, in particular

- **Innovation**
- **Flexibility**
- **Reach**

### Tower Hamlets Plan and Strategic Plan Priorities

C1	Strong, resilient and safe communities	
C2	Better health and wellbeing	
C3	Good jobs and employment	
C4	A better deal for young people	
S1	People are aspirational, independent and have equal access to opportunities	
S2	A borough that our residents are proud of and love to live in	
S3	A dynamic outcomes-based Council using digital innovation and partnership working to respond to the changing needs of our borough	

Theme priorities and links to TH Plan and Strategic Plan Priorities
<ol style="list-style-type: none"> <li>3. Supporting older people from BME communities who would otherwise not access support services (C2)</li> <li>4. Reducing social isolation for older people (C2)</li> <li>5. Helping older people maintain physical health (C2)</li> <li>6. Maintaining independence in older age (C2)</li> </ol>
Theme outcomes
<ol style="list-style-type: none"> <li>3. <b>Reduced the demand for public services.</b> By providing support within the community and promoting independence and wellbeing in older age the demand for public services will be reduced.</li> <li>4. <b>Improved health and wellbeing.</b> Increase the proportion of older people from BME communities who feel their health and welfare needs can be met within the community.</li> <li>5. <b>Increased community resilience.</b> Community organisations are able to move towards more sustainable community based services with less reliance on public funding.</li> <li>6. <b>Increased knowledge relating to information and advice.</b> Increased access to quality advice and information for older residence and understanding where this is available.</li> </ol>
Examples of projects and activities
<ul style="list-style-type: none"> <li>• A service that provides physical and social activities for older people, either with or without a hot lunch</li> <li>• An outreach advice service working with established community facilities for older people</li> </ul>
Eligibility
<ol style="list-style-type: none"> <li>1. Standard eligibility requirements set out in the Small Grants Policy</li> <li>2. This theme will give priority to organisations with a turnover of less than £50,000 per annum</li> </ol>
Levels of Funding Available
<p>Up to £15,000 for one year with potential extension for second year</p> <p>The total budget for this theme is £100,000 per annum. We anticipate that this theme will fund eight to ten projects with a range of annual funding levels.</p>
Monitoring arrangements
<p>Six monthly progress report and annual/end of project report and visit.</p>

## LCF Transition and EA Mitigation Costs

Item	Summary		2019/20	2020/21	2021/22	2022/23	Total cost
THCVS 'unsuccessful' support package	Support package for organisations which lose MSG	contract agreed	24,800	-			24,800
Emergency and Transition Fund	Supplement for existing emergency fund.	Provision	100,000	100,000	100,000	60,000	360,000
MSG Contract Extension	Extension of Lunch Clubs Contracts & Community Language Services	Agreed by GDCSC	82,296	-	-	-	82,296
Small Grants New Themes	New themes for access for BME people and Older people	Agreed as part of mitigation	-	150,000	150,000	150,000	450,000
New Small Grants Admin Cost	EECF Admin fee of 12% per year	As above	-	18,000	18,000	18,000	54,000
Commissioned Services	Young people's mental health (£20k), Early years (£20k), Young Peoples disability Sports (20k) , Young carers (£30k)	LCF EA mitigation	-	90,000	90,000	90,000	270,000
Additional capacity Building Funding	Including development of funders forum	Provisional	10,000	20,000	-	-	30,000
Total			217,096	378,000	358,000	318,000	1,271,096

## Tower Hamlets VCS Contingency Fund

### Priorities and Criteria

In order to be considered for funding, organisations must:

#### Governance

1. Be a voluntary/community sector/ not-for-profit organisation
2. Have a formal legal structure together with an appropriate governing document

#### Finance

1. Have been in receipt of Council funding in the past year (including matchfunded projects but excluding in-kind support).
2. Have a bank or building society account in the organisation's name
3. Be able to demonstrate financial viability
4. Be in danger of closing down or unable to continue to provide core funded services at a reasonable level or standard"
5. Have already taken/or be in the process of implementing reasonable measures to address the emergency
6. Have a formal reserves policy
7. Not be a debtor to the London Borough of Tower Hamlets

#### Premises

1. If based in or using Tower Hamlets Council buildings have an appropriate property arrangement in place.

#### Activities

1. Have a base within Tower Hamlets or a demonstrable track record of successful service delivery within the borough
2. Provide project activities that mainly benefit Tower Hamlets residents
3. Provide evidence that their project / organisation is consistent with Council priorities as detailed in the Strategic / Community Plan

#### **LBTH Strategic Plan**

[Strategic Plan 2019-22](#)

#### **LBTH Community Plan**

[Tower Hamlets Plan](#)

#### Emergency Funding

Applicants must clearly demonstrate the need for the funding and the fact that they are facing an unforeseen emergency. As a guide, the following information gives an indication of circumstances the council considers to be an emergency and what may be supported through this funding scheme together with examples of things that are unlikely to be supported. For clarification, this does not mean that applications will

automatically be supported or rejected based purely on the purpose for which the funding will be used.

The following are **likely** to be considered favourably for funding:

1. Building repairs (for essential emergency work)
2. Health and safety equipment / improvement (which directly affects service delivery)
3. DDA Improvements
4. Redundancy costs arising as a consequence of council action or inaction
5. Staff salaries / wages (to cover unforeseen medium/long term absences)
6. Winding-up costs

If the purpose for which you would like funding isn't in the above list but you still feel your organisation is facing an emergency situation, you are still able to apply to the Fund. However, the following are **unlikely** to be supported for funding if the application is for normal running costs such as

1. Accreditation fees
2. Computers / tablets / smartphones
3. Fundraising strategies
4. Business plans
5. Consultancy fees
6. Insurance
7. Delivering new project
8. Enhancing existing project
9. Staff training Furniture
10. Photocopying
11. Team building away-days
12. Volunteer training
13. Debt repayment
14. Project match-funding
15. Volunteer expenses
16. Utilities (*gas, electricity etc.*)
17. Rent increases (*where due notice of increase has been provided*)

### Transitional Funding

In some circumstances where council funding to a VCS organisation is not continued the council may consider proposals put forward to assist the organisation to manage a transition process.

An organisation funded to 30 September 2019 through the former Mainstream Grants Programme may be considered for transition support if it:

1. Provided a service supported through MSG for the past year with satisfactory performance;
2. Submitted a bid to the LCF to continue or develop the MSG funded project or projects;
3. Achieved a score in its LCF bid of 50 or more;

4. Can demonstrate the project cannot be funded from unrestricted reserves (taking account of the organisation's reserves policy and any designated funds);
5. Can demonstrate that it has applied for, or there is a realistic prospect of, alternative funding for the project and is awaiting the outcome, and that transition support will keep its doors open for local residents and service users in the meantime.

An organisation funded to 30 September 2019 through the former Mainstream Grants Programme may also be considered for transition support if it meets criteria 1-4 above and:

6. Can demonstrate transition support for a limited period can unlock external funds, or
7. Can demonstrate transitional support for specific capacity building work will make it more sustainable and less dependent on public funds.