

Committee: Grant Panel	Date: 16 th October 2008	Classification: Unrestricted	Report No: (GP 04/89)	Agenda Item: 5.3
Report of: Corporate Director Development and Renewal Originating officer(s) Everett Haughton Funding and Development Manager, Hilary Hughes Funding and Development Officer		Title: Request for Emergency Funding Wards Affected: All		

1. SUMMARY

- 1.1 This report presents a request from Women's Health and Family Services for emergency funding from the Mainstream Grants budgets for the financial year 2008/9.

2. RECOMMENDATIONS

Grants Panel is asked to:-

- 2.1 Note the current position of the Mainstream Grants Budget for 2008/09 as set out in Table 1, paragraph 4.1 of this report;
- 2.2 Note the details of Emergency Funding request, and the Officer assessment, as outlined in paragraphs 4.3 to 4.11 and detailed in **Appendix 2**
- 2.3 Approve emergency funding of £14,343 to Women's Health and Family Services as set out in paragraph 4.12 of this report

Local Government Act, 1972 Section 100D (As amended) **List of "Background Papers" used in the preparation of this report**

Brief description of "back ground papers"	Name and telephone number of holder and address where open to inspection.
Mainstream grants report 2008/2009 To 18 th March 2008 Grants Panel (Item 4.1) 25 th March 2008 Grants Panel (Items 3.1, 3.2)	Everett Haughton 020 7364 4639

3. BACKGROUND

3.1 The Council's Mainstream Grants Emergency Funding policy and procedure (as detailed in Appendix 1) was determined by the Grants Panel on the 21 February 2006.

The key features of the policy are:

- Emergency funding requests are only considered if there is unallocated funding available in Mainstream Grants budgets.
- Organisations requesting emergency funding must meet the Council's Mainstream Grant Eligibility Criteria and Mainstream Grant aid funding priorities and where existing service provision would be at significant risk.
- Requests are only considered where the Council is already supporting the organisation, for example the applicant is already in receipt of Council grant aid or other support in kind, and the emergency funding would protect this investment.
- Applications are only considered from organisations that have a revenue-funding crisis, for example if a key worker is hospitalised for a significant period and the service needed some contribution towards the costs of a replacement worker, or an unexpected loss of income.
- Emergency funding is subject to the Council's Terms and Conditions of Grant and minimum monitoring standards.

4. REPORT

4.1 The Grants Panel approved the allocation of the mainstream grant budgets in March 2008. At this stage all funds within Development and Renewal's funding streams were allocated leaving no contingency for emergency funding. The current budget position as outlined in the table 1 below, has come about as a result of one organisation who's request for funding was approved but subsequently withdrew from accepting the award due to closure of the organisation.

Table1

Directorate	Budget £	Committed £	Unallocated £
Development and Renewal	£482,106	£467,763	£14,343

4.2 In line with Council policy, Emergency Funding is only able to be awarded from unallocated funds within the budget and therefore, up to a maximum of £14,343 is currently available for this purpose.

Emergency Funding Request:

- 4.3 A request for emergency funding has been received by from Women's Health and Family Services. The background to this application is set out below.

Background:

- 4.4 Women's Health and Family Services is a registered charitable company limited by guarantee that was incorporated on 14 February 1994. Background details about the organisation can be found in the assessment attached as **Appendix 2**.
- 4.5 A senior worker has been on long term sick leave since October 2007 and subsequently left her post on 31 August 2008. Despite cover from existing staff, the organisation had to employ a locum advocate during this period.
- 4.6 A second senior member of staff was also on sick leave from 21 April 2008 for a period of 6 weeks. Temporary cover was employed to cover some of her duties such as evaluation, monitoring and staff supervision. This member of staff had responsibility for funding applications and organisational development. As a result of her absence funding opportunities for the organisation were missed and the organisation has been unable to achieve proposed targets of funding or organisational development work.
- 4.7 The organisation's unrestricted reserves as at the end of March 2007 were £58,091. Using these reserves to fully cover the costs of this deficit would leave the organisation's future vulnerable. The organisation has a clear reserves policy that which is in line with Charity Commission guidelines and demonstrates the need for reserves above the current level. Without additional resources Women's Health and Family Services would:
- be unable to manage cash flow as most of their grants are paid in arrears and consequently incur additional costs through bank charges
 - be unable to resolve unmet fundraising targets resulting in difficulty in securing enough funds to retain all projects next year
 - core management and administration posts would also be threatened as they rely on funds from full cost recovery of projects to meet salary costs of these posts
 - not be able to implement the quality standard they are working towards which will be essential for securing some funding streams next year

Purpose of Emergency Funding:

- 4.8 The organisation is requesting emergency funding to contribute towards the cover costs associated with the two staff members being on long term sick leave and to fund additional support to enable the organisation to implement a programme of planned organisational development. The outcome of the work paid for by emergency funds, will ensure that the organisation is in a position to implement development work including attaining appropriate quality mark status

in time for change to the commissioning approach of funding and enable the organisation to work towards sustainability of services.

- 4.9 The organisation reports that without resources for these tasks sustainability of the organisation and projects would be threatened. Emergency funding would enable the organisation to:
- Continue to meet outcomes and outputs of grants and bring monitoring up to date
 - Make funding applications to secure funding for continuation of existing projects and core workers
 - Undertake preparation work to implement a quality mark implementation

Officer Comments:

- 4.10 The application meets the Council's Emergency Funding criteria as:
- The organisation has an unexpected financial crisis due to 2 key members of staff being sick.
 - Emergency funding would protect LBTH investment; and the organisation's ability to ensure ongoing sustainability would be impeded without this support.
- 4.11 The organisation has a 25 year track record of working together with service providers and women and their families from local ethnic minority communities, in order to identify and provide services that actively promote equality. Officers consider that the work continues to meet the priorities of the Community Engagement funding stream and that this organisation works with some of the most isolated women in our communities who fall through the gaps in other service provision. During the last year officers have undertaken a satisfactory monitoring visit at the organisation who demonstrated they provide valuable culturally appropriate, well managed services for local women.

Recommendation:

- 4.12 Officers recommend that Women's Health and Family be awarded £14,343 Emergency Funding conditional on the organisation agreeing a delivery plan with target dates for clear measurable milestones with officers. Milestones would include the organisation completing and approving their business plan, by December 2008.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 Applications for emergency funding from the Mainstream Grants budget must be considered in accordance with the Council's policy that was approved by the Grants Panel on 21st February 2006.
- 5.2 An application for emergency funding totalling £16,000 has been received from the Women's Health and Family Services organisation. The circumstances surrounding this request are outlined above, together with officer comments.

- 5.3 The Mainstream Grants budget is cash limited. There are sufficient uncommitted resources within the budget for 2008-09 to finance this emergency funding.

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1 The Council is able to award a grant of this type by using the powers available to it under Section 2 of the Local Government Act 2000. The Council is able to do anything which it considers is likely to achieve the promotion or improvement of the economic, social or environmental well-being. The power may be exercised in relation to or for the benefit of all or any part of the Council's area or for all or any persons resident or present in its area.
- 6.2 Each organisation which is funded by the Council has to enter into a legally binding agreement. This will ensure that careful monitoring is undertaken of any grants made to applicants.

7. EQUAL OPPORTUNITIES IMPLICATIONS

- 7.1 The Council is strongly committed to a funding process that is open and equitable and provides fair access to funding. Women's Health and Family Services represent the interests of minority ethnic communities and bring about equitable healthcare for minority ethnic women and their families in Tower Hamlets. They provide interpreting and translation of services and specific service provision for speakers of English as a second language, in particular speakers of Bengali, Cantonese, Somali and Vietnamese.

8. ANTI-POVERTY IMPLICATIONS

- 8.1 This organisation addresses the unmet health, education and welfare needs of ethnic minority women and their families who are resident in Tower Hamlets. Part of advocacy workers role is to provide individual advice on Health, Welfare Benefits, Immigration and Refugee Issues and run Health Advice Sessions. There is also a weekly Legal Advice Session and a Social Support Group for older Somali women.

9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 9.1 There are no direct environmental considerations arising from this report.

10. RISK MANAGEMENT IMPLICATIONS

- 10.1 A number of different risks arise from any funding of external organisations. The key risks are:
- The organisations may not be able to secure the additional funding necessary to deliver the agreed activities.
 - The organisation may not in the event have the capacity to sustain the outputs and outcomes required.

- 10.2 A range of mechanisms are already in place to address the above potential risks. These are:
- Application of the formal eligibility criteria and terms and conditions of grant aid.
 - Regular monitoring and peripatetic support as required to ensure that funded organisations maximise the use of their grant and ensure they are introduced to a range of funding and capacity building opportunities
 - Working with organisations to ensure that outputs and targets are realistic and appropriate for the amount of secured funding.

11 EFFICIENCY STATEMENT

- 11.1 Using unallocated mainstream grant budget for emergency funding would utilise existing resources. In addition the action enable the Council to meet the Third Sector Strategy objectives and contribute towards the Community Plans targets through the promotion of welfare benefit and tax credit take up.

12. APPENDICES

- 12.1 **Appendix 1** – Mainstream Grants Emergency Funding Policy
Appendix 2 - Officer Assessment.

Mainstream Grants Emergency Funding Policy

Principles of emergency funding

The Council is committed to supporting the capacity of the Third Sector to deliver a range of services for residents. Organisations are able to submit requests for emergency funding during the year.

Availability of emergency funding

Requests for emergency funding are only considered if there is unallocated funding available within Mainstream Grants budgets.

Eligibility criteria

Emergency funding is only available to organisations:

- for projects that meet the Council's Grant Eligibility Criteria and funding priorities
- who have an unexpected financial crisis for example if a key worker was off on long term sick leave and the service needed some contribution towards the costs of a replacement worker, or an unexpected loss of income;
- who are already supported by the Council for example the applicant is already in receipt of Council grant aid or other support in kind, and the emergency funding would protect this investment; and
- where existing service provision would be at significant risk.

Application procedure

1. Organisations contact a grant officer to find out if there is any unallocated funding to enable a request. If funds are available, the organisation fills in an application form and presents evidence that enables an assessment of the request against the above emergency funding eligibility criteria.
2. A grant officer will present the application in a report to the Cabinet's Grant Panel.
3. The Grants Panel will make a decision in respect of the request.
4. Organisations are informed of the decision of Cabinet
5. Cabinet whose decision shall be final shall consider appeals against the decisions of the Grants Panel.

Priorities

- Organisations requesting funding for locum cover maternity and sick leave that can demonstrate that the need for cover is necessary.
- That the proposed funding request meets with the funding priorities of the current funding programme

Procedure for emergency funding awards

Emergency funding is subject to the Council's Terms and Conditions of Grant and minimum monitoring standards.

Organisation profile: Women's Health and Family Services**Organisation address:** Brady Arts Centre, 192-196 Hanbury Street, London E1 5HU

Assessment of organisations eligibility:	
Appropriate governing document	Met
Demonstrates financial viability	Partly met
Met any previous monitoring requirements	Met
Local representation on management committee	Met
Demonstrates fair and equal practices	Met
Promotes equality	Met

Financial summary:	2007/2008 Accounts £	2008/2009 Estimated £
Income from mainstream grants	48,545	43,716
Emergency funding request		16,000
Other income from Tower Hamlets Council	0	0
Mainstream grant as % of income	13.5%	18.2%
Income from Tower Hamlets as a % of income	13.5%	18.2%
Total income	359,188	326,928
Total expenditure	346,858	358,979
Surplus/deficit	12,330	-£32,051

Financial comment:

Women's Health and Family Services have submitted audited accounts ending March 2008. These demonstrate that the organisation's unrestricted reserves as at the end of March 2007 were £58,091. Using these reserves to fully cover the costs of this deficit would leave the organisation's future vulnerable. The organisation has a clear reserves policy that which is in line with Charity Commission guidelines and demonstrates the need for reserves above the current level. Without additional resources Women's Health and Family Services would:

- be unable to manage cash flow as most of their grants are paid in arrears and consequently incur additional costs through bank charges
- be unable to resolve unmet fundraising targets resulting in difficulty in securing enough funds to retain all projects next year
- core management and administration posts would also be threatened as they rely on funds from full cost recovery of projects to meet salary costs of these posts
- not be able to implement the quality standard they are working towards which will be essential for securing some funding streams next year

Organisation's profile:

This multi-ethnic health advocacy organisation aims to address the unmet health education and welfare needs of ethnic minority women and their families who are resident in Tower Hamlets and the surrounding boroughs. Women's Health and Family Services is a registered charitable company limited by guarantee that was incorporated on 14 February 1994. This multi-ethnic health advocacy organisation aims to address the unmet health education and welfare needs of ethnic minority women and their families who are resident in Tower Hamlets and the surrounding boroughs.

Services provided by the organisation include: Access to healthcare through Chinese

and Vietnamese, Somali and Bengali health advocacy workers, Bengali hearing project, Somali Women's Friendship Group, Somali welfare rights sessions provided in partnership with Tower Hamlets Law Centre, homeopathic project, placements for students training as social workers, health advocates, community workers and other health and community related professions and volunteering opportunities.

Areas served by the organisation's main services or activities: Boroughwide

Reference: 5415

**Funding proposal: Emergency Funding
Women's Health and Family Services**

Fund: Community Engagement	Amount awarded last year:	£0
Requested Term: Up to March 2009	Requested amount:	£16,000
Recommended Term: Up to March 2009	Recommended amount:	£14,343

Assessment of proposals eligibility:

Mainly benefits Tower Hamlets residents:	Met
Provided on a not for profit basis:	Met
Promotes mutual understand and respect:	Met
Does not promote a particular religion or belief:	Met
Secured or applied for other funding sources:	Met
Relevant quality assurance standard for proposed activities:	Working towards relevant standard

Contribution towards:	Proposal's total costs (£):	Requested amount (£):
Running and premises costs	54,740	0
Salary costs	251,623	16,000
Totals	306,363	16,000

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Mainstream grant as % of income	13.5%	18.2%
Income from Tower Hamlets as a % of income	13.5%	18.2%
Total income	359,188	326,928
Total expenditure	346,858	358,909
Surplus/deficit	12,330	-£31,981

Services or activities the funding would support:

The funding would contribute the to organisation meeting the following outputs:

- Monitoring be brought up-to-date.
- Organisational development work including preparation work for QMS audit.
- Funding applications for continuation of existing posts and new projects be made.

Achievements of the project during the current financial year:

Monitoring data indicates that the organisation is successful achieving long term impacts and making a difference to the women and families who have been supported during the current financial year. WHFS provided services to over 5,000 users last

year. Monitoring and evaluation demonstrates that 50% are Bangladeshi, 25% are from the Somali community and 25% Chinese, Vietnamese, white European and, other Black African communities.

Proposed outcomes for the funding:

- monitoring is brought up-to-date
- organisation completes and implements quality standard
- increase sustainability and income

The people or communities who would benefit: Women and their families from the Somali, Bengali, Chinese and Vietnamese communities living in Tower Hamlets.

Duplication:

There is no comparable organisation providing the range of services in the borough.

Officers comment: Women's Health and Family Services are requesting support to contribute towards unexpected costs incurred due to long-term sickness of 2 key members of staff. The organisation has taken steps to limit the costs caused by the situation. Wherever possible staff and management committee members have provided cover for the absent workers. However, one member of staff that was absent had sole responsibility for funding applications and as a result of her absence funding opportunities for the organisation were missed. The organisation has identified that it needs to increase the level of management staff to ensure a more appropriate level of development. They are in the process of developing a business plan and implementing a funding strategy that would make this possible.

London Borough of Tower Hamlets and the Tower Hamlets Primary Care Trust and Barts and the London NHS Trust are the main funders of this organisation. Women's Health and Family services have a 26 year track record of providing services for the local community and are working towards achieving quality standards appropriate to their area of work. The organisation participates in a number of key strategic partnerships in the borough.

The application contains clear outcomes and outputs. However, officers consider that clear measurable milestones would need to be agreed as a condition of funding. The inclusion of the completion of their business plan by December 2008 is recommended as an additional target for this support.

Without emergency funding support the organisation reports that existing posts and development of new posts would be threatened and service delivery would be impeded.

Funding powers:

Section 2 of the Local Government Act 2000 – promotion of well-being.

Officers consider this proposal matches the council's funding priorities:

To promote opportunities for social inclusion.
General support to black ethnic minority communities.

Officers recommendations:

That Women's Health and Family be awarded £14,343 Emergency Funding conditional on the organisation agreeing a delivery plan with target dates for clear measurable milestones with officers. Milestones would include the organisation completing and approving their business plan, by December 2008.