

Appendix 2

Third Sector Commissioning Prospectus 2020-25 - third year (2022/23) progress and delivery report, July 2023

1. The Third Sector Commissioning Prospectus objectives and principles

- a) All project proposals need to be made by partnerships between two or more third sector organisations.
- b) These partnerships will:
 - i. Have equality, diversity and inclusion embedded in their activities, governance and management arrangements
 - ii. Protect against inequality and poverty
 - iii. Promote family and community resilience with the focus on a whole family approach
 - iv. Promote a culture of collaboration and joint working with public services
 - v. Contribute to social, environmental and economic value in the city.
- c) Partnerships will use models of delivery that:
 - i. Strengthen community engagement and enhance community cohesion
 - ii. Use an asset based approach
 - iii. Provide opportunities for public involvement and for volunteering.
- d) Partnerships will show how they plan to make service delivery improvements throughout the period of funding.

2. Overview of the Outcomes

The Prospectus wanted to invest in partnerships between Third Sector organisations that bring significant changes for beneficiaries in at least one of the following areas:

- a) **Strategic Outcomes** – investment to fund core and /or project costs between two or more Third Sector organisations that are working or starting to work in partnership to deliver one of the stated strategic outcomes (see below).
- b) **Third Sector infrastructure** – to ensure that Brighton & Hove’s Third Sector groups and organisations in the city have access to high quality, local infrastructure support which will enable them to be more effective, equitable, efficient and sustainable in delivering change for residents of the city.
- c) **Community Development and Engagement** – delivers high quality community development and engagement provision, using an asset based approach that strengthens communities voices and influence on council decision making, improves community health, wellbeing and resilience and builds social value; with a focus on marginalised groups and communities – of both place and identity - and people not already involved.
- d) **Community Banking Partnership** – to enable not-for-profit organisations in the city to deliver a Community Banking Partnership which integrates provision to low income households and includes the provision of money

advice, access to banking, credit, deposit, and education in terms of financial capacity, food and fuel efficiency.

3. Strategic Outcomes

This is the city's principal grant investment to fund core organisational costs and/or projects between two or more Third Sector organisations that are working, or starting to work, in partnership to deliver one or more of the strategic outcomes.

The funding aims to maximise the use of existing strengths, assets and resources of Third Sector organisations for the benefit of local residents; improve life chances and opportunities for residents to ensure they are not held back because of identity, characteristics, neighbourhood or background and to increase opportunities for residents from different backgrounds.

The four strategic outcomes are:

- a) To enable people, of all ages, with complex needs, or who are at risk of exclusion and social isolation, to improve their health and wellbeing and fulfil their potential socially and economically in the city, across all life stages: starting well, living well, ageing well, dying well.
- b) To create safe and inclusive neighbourhoods and community space that encourages greater use and ownership by residents. Encourages neighbourliness and community cohesion, the feeling of safety, reduces crime (especially hate crime) and disorder, and promotes and improves health and wellbeing.
- c) Enhanced community wellbeing and people's sense of belonging through inclusive and innovative arts, cultural and leisure opportunities for people that improve their physical and mental wellbeing and resilience.
- d) Protecting and enhancing the health and wellbeing of residents and providing a robust response to climate change through a more circular, sustainable and resilient economy.

4. Key data

Finances

The council invested £1,935,072 for year three, with the Brighton & Hove CCG adding £50,000 for infrastructure. Further years investment is subject to the Council's Annual Budget setting.

Allocated funding for each of the four lots

LOT	TOTAL	BHCC	CCG
Lot 1 Strategic Outcomes	£888,672	£888,672	Nil
Lot 2 Infrastructure	£376,000	£326,000	£50,000

Lot 3 Community development and engagement	£520,400	£520,400	Nil
Lot 4 Community Banking	£200,000	£200,000	Nil
TOTAL	£1,985,072	£1,935,072	£50,000

Lot 1 Strategic Outcomes investment was not split across the four outcomes. All Lot 1 bids were appraised together, with the highest scoring within the finances available being awarded grants. The rationale for this was to ensure that the best bids were successful, with concern that if a pre-set amount was allocated to each separate outcome, poor quality proposals might succeed as there was little competition for the funding in that outcome.

Number of successful bids and value against each lot

20 partnerships were funded by the TSC. An outline of the partnerships supported set against each strategic objective and their annual funding allocation is set out below:

- a) Lot 1.1 - To enable people, of all ages, with complex needs, or who are at risk of exclusion and social isolation, to improve their health and wellbeing and fulfil their potential socially and economically in the city, across all life stages: starting well, living well, ageing well, dying well.

YMCA Downslink, Sussex Nightstop, Allsorts Youth project	£26,907
Speak Out, Amaze	£23,110
Lunch positive, MindOut, THT, Pavilions, LGBT Community safety Forum	£15,199
BHT First Base, Fareshare, Brighton & Hove Food Partnership	£34,184
CAB (Advice Matters), BHT Advice, St Luke's Advice Centre, Money Advice Plus, BUCFP	£257,771
Brighton & Hove Food Partnership, Green Wellbeing Alliance	£87,574
MindOut, Allsorts Youth Project	£28,171
Together Collective,, Switchboard, Sussex Interpreting Service, Women's Centre	£44,134

- b) Lot 1.2 - To create safe and inclusive neighbourhoods and community space that encourages greater use and ownership by residents. Encourages neighbourliness and community cohesion, the feeling of safety, reduces crime (especially hate crime) and disorder, and promotes and improves health and wellbeing.

Friends, Families, Travellers, Trust for Developing Communities	£60,049
Amaze, Extratime	£15,587
Speak Out, Trust for Developing Communities	£14,767
Trust for Developing Communities, Hangleton & Knoll Project, BUCFP	£47,329

- c) Lot 1.3 - Enhanced community wellbeing and people's sense of belonging through inclusive and innovative arts, cultural and leisure opportunities for people that improve their physical and mental wellbeing and resilience.

Stay up Late, Extratime, Gig Buddies for good mental health	£43,711
Open Strings Music, Wishing Well Music for Health	£18,600
Extratime, Stay up later, Albion in the Community	£28,940
Robin Hood Health Foundation, The Old market, Creative Future, Diversity & Ability	£98,226
South East Dance, BUCFP, Puffin Nursey, Brighton Youth Centre	£44,375

- d) Lot 1.4

There were no successful bids for this Lot.

- e) Lot 2 – Infrastructure

Community Works, Resource Centre, Faith in Action, Working to Connect	£376,000
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- f) Lot 3 – Community Development and Engagement

Trust for Developing Communities, Amaze, Carers Centre, Clare Project, Healthwatch Brighton & Hove, LGBT Switchboard, Possability People, Friends, Families & Travellers,	£520,400
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Hangleton & Knoll Project, Speak Out, Sussex Interpreting Services	
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g) Lot 4 – Community banking

CAB, BHT Advice, Money Advice Plus, St. Luke's Advice, Possability People, East Sussex Credit Union, Hangleton & Knoll Project, BHT Whitehawk Inn, BUCFP, Sustainable Housing in Inclusive Neighbourhoods, Brighton & Hove Energy Services Cooperative	£200,000
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5. Third year delivery

Each project is required to set a number of outcomes and indicators to measure the progress and success on a year-by-year basis. Performance against targets is reported twice a year through a written report to officers. Projects report on the number of residents who use the service delivered through the project.

In the third year of the TSC 2020-25 the 20 partnership projects set themselves a target of 25,116 people to be helped. The third year's annual reports identified 26,282 people accessing the service and being helped.

6. Value for money

Assessing the value for money of the TSC requires breaking down the programme between those elements that support core funding or via direct service delivery. It is necessary to extract the investment in Infrastructure, Community Development and Community Engagement. This gives a total core and service delivery funding allocated in Year Three of the TSC is £1,088,641, which is divided by the number of beneficiaries, 26,282, giving a cost per beneficiary of £41.42. This represents very good value for the work in delivering a service to complex individuals and compares well to the Year 1 Progress and Delivery Report figure of £44.44.

The TSC funded projects have secured a total of £9,517,280 of additional income from additional contracts and grants, plus secured income for beneficiaries. This shows that in the third year of the TSC 2020-25 there was a ratio of levered in funds where for every £1 of TSC funding a further £4.79 was secured through additional funding/external resource generated. During the previous Third Sector Commission, 2017-2020, the external Evaluation reported a leverage of £5.07 over the three years; the 2020-2023 First Year Progress and Deliver Report reported £5.07, the second year 4.72. External funding is significantly tougher to secure since the pandemic and cost of living crisis.

In addition, 179015 volunteer hours were contributed to the projects. Using the Brighton & Hove Living Wage of £9.30 per hour, this equates to £1,664,839 of additional contribution to the city's economy.

7. Impact of Cost of Living Crisis

The third year of the TSC has been severely impacted by the cost of living crisis. The impact has been felt by organisations, staff, volunteers and service users. Key aspects are:

- Additional costs for organisations in respect of salaries, utility costs, general running costs.
- Organisations have had to use unrestricted cash reserves to meet additional costs.
- Almost all core contracts with public bodies have not had uplifts.
- There has been increased demand on grant giving trusts meaning that success rates in bidding for essential support funding has become increasingly competitive.
- Salary costs have had to be increased to assist staff to meet their own CoL pressures, to retain staff, and to recruit new staff.
- Many volunteers have reduced their volunteering commitment so that they could get paid work to meet the additional costs of living.
- Service users needs and numbers have increased for most projects as the CoL crisis has led to individual's own crises, especially mental health problems.

8. Looking forward

The Third Sector Commission was originally approved to be for three years, 2020-2023 at the Neighbourhoods, Inclusion, Communities and Equalities (NICE) Committee on 16th July 2019.

Following discussions with the All-Party Members Advisory Group on Grants, and senior officers, a Report was approved at the Tourism, Equalities, Communities and Culture Committee on 25th November 2021 to extend the current three year commission to five years 2020-2025, with subsequent commissions being of four years duration.

All negotiations have been completed for the additional two years delivery, with Grant Variation letters in place for smaller grants, and Deeds of Variation in place for grant over £250,000 pa. Planning and negotiations are now underway to put in place amended grant agreement to run from 1st April 2023 to 31st March 2025.

9. Next steps

Work is now underway to consider options and a timetable for the new Third Sector Commission 2025 – 2029. It is planned to bring a report to the next MAG.