

Report of Deputy Director Integrated Commissioning

Report to Director of Adults and Health

Date: 30th October 2019

Subject: Request to assign the Neighbourhood Network grant awards for North Seacroft and South Seacroft to the newly merged charity Seacroft Friends and Neighbours

Are specific electoral wards affected? If yes, name(s) of ward(s): Killingbeck & Seacroft	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- Neighbourhood Network grant funding was awarded to organisations across the city via a significant operational decision taken 16th August 2018. This included two geographical areas in East Leeds identified as North Seacroft and South Seacroft. The boundaries of these areas are locally defined and have represented the area of coverage since the inception of the schemes. The only changes that took place in the city around boundaries was work to ensure that the Neighbourhood Network grant funding covered the full geographical area of the Leeds Metropolitan Borough District.
- The two charities covering the Seacroft areas have been engaged in discussions around how they can better work together for the benefit of their respective local populations. This has included how a more unified approach could benefit local communities and has resulted in both schemes merging to form the single charity 'Seacroft Friends and Neighbours'.
- In light of this change, this report proposes that commissioning officers update the grant awards to reflect this change, novating the existing awards into a new grant agreement with the newly formed charity.

- The outcome will see two grant awards made to the new charity Seacroft Friends and Neighbours, one for each of the respective areas. The first quarterly payments will be made to the new charity from 1st January 2020.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The main domains of the Best Council Plan that these grants link to are 'Health and Wellbeing', 'Age-Friendly Leeds', 'Safe, Strong Communities' and 'Inclusive Growth'.
- The grants support work that offers and promotes opportunities for older people to be healthy, active, included and respectful. Neighbourhood Networks can help: contribute to keeping people safe from harm; helping people out of financial hardship; promoting community respect and resilience, as well as; be part of building thriving and resilient communities.

3. Resource Implications

- The Neighbourhood Network grants covered by this decision, including their current annual values, are:
 - North Seacroft (Area 12) at £69,826.64 per annum.
 - South Seacroft (Area 4) at £66,326.64 per annum.
- Year 2 of the initial five year award started 1st October 2019. The awarded grants include the potential to extend for a further five years from 1st October 2023.
- NHS Leeds Clinical Commissioning Group (CCG) makes a contribution to all of the Neighbourhood Network Grants, including the two Seacroft areas. This contribution is covered by a Section 256 agreement which runs until 30th September 2023.
- For reference, the funding in total is £136,153.28 per annum. This equals £544,613.12 for the remaining four years of the grants and £1,141,243.12 when taking into account the full period including the option to extend. The allocation of these funds were subject to previous delegated decisions D44827 (allocation of funding); D47879 (award of grants) and D48304 (uplift of grants due to NHS Leeds CCG investment for the initial five year grant award).
- Officer time will be necessary in order to monitor the delivery of the outcomes associated with the grants but otherwise the merger is not anticipated to require any significant officer engagement. Additional officer time from Procurement and Commercial Services (PACS) will be necessary in completing the assignments and awarding both grants to the newly formed charity.

Recommendations

- a) The Director of Adults and Health is recommended to approve the assignment of Neighbourhood Network grants North Seacroft (Area 12) and South Seacroft (Area 4) from the charities North Seacroft Good Neighbours and South Seacroft Friends and Neighbours to the newly formed charity Seacroft Friends and Neighbours.

1. Purpose of this report

- 1.1 To seek approval from the Director of Adults and Health for officers to complete the assignment of Neighbourhood Network grants for North Seacroft (Area 12) and

South Seacroft (Area 4) from the existing awardees to the newly formed charity Seacroft Friends and Neighbours (registration number 1183406). This charity being the merged identity of the former awardees.

2. Background information

- 2.1 Leeds City Council has a long standing history of engaging and supporting the voluntary sector in Leeds, including older people's charities collectively referred to as Neighbourhood Network Schemes. These services have steadily developed across the city since 1985 and look to empower the lives of older people, with particular regard to reducing social isolation and improving health and wellbeing. The services operate to geographical boundaries that in turn provide full geographical coverage of the Leeds Metropolitan District Area.
- 2.2 On the 20th September 2017 a report titled 'Request to approve the model for continuing Leeds City Council's investment in Neighbourhood Network services from 1st October 2018' was presented and approved at the meeting of the Leeds City Council Executive Board (decision reference D44827).
- 2.3 A competitive grants process commenced on the 20th March 2018, with award recommendations approved by the Director of Adults and Health on the 8th August 2018 (decision reference D47879). This decision included the award of the approved funds for North Seacroft (Area 12) to North Seacroft Good Neighbours and South Seacroft (Area 4) to South Seacroft Friends and Neighbours.
- 2.4 Following award of the grants discussions were held between the NHS Leeds CCG and Leeds City Council with regards to supplementing the agreed funding with further health investment. This was approved via a significant operational decision 17th January 2019 (reference D48304). The outcome of this decision saw grant investment for North Seacroft come to £69,826.64 and South Seacroft come to £66,326.64.
- 2.5 On 6th November 2018 commissioning officers received first written notification of the intention for a merger of the two Seacroft charities. Officers were supportive of the proposal and requested that a rationale be completed that clearly stated:
- Background to the proposed merger;
 - The objective of the merger;
 - The benefits;
 - The perceived challenges;
 - Arrangements to be set in place during the merger and for going forward;
 - The intended name and address of the new organisation;
 - Who would be responsible/would have oversight of the new arrangements, and;
 - How optimum service delivery to both areas covered by the grants would be ensured and a locality focus maintained.
- 2.6 The newly formed charity Seacroft Friends and Neighbours officially launched on the 1st October 2019. The existing charities North Seacroft Good Neighbours and South Seacroft Friends and Neighbours will continue to be registered with the Charity Commission until 31st March 2020 when they will be formally closed and de-registered.

3. Main issues

- 3.1 The requested rationale was completed and submitted on behalf of both charities in June 2019. This provided officers with a clear and well considered approach to the planned merger, including: governance; staffing; overheads, and; community cohesion and resilience. The rationale reflected on the benefits of shared services and resources while retaining local individual identity and presence in line with scheme member feedback.
- 3.2 The supplied rationale has assured officers that the original selection criteria will continue to be met and that the merger brings benefits to both the grants and the local areas they cover.
- 3.3 Funding for the period 1st October to 31st December 2019 has been paid to the existing original charities. Funding payments affected by this decision will not be made until the end of December 2019 in preparation for the financial quarter commencing 1st January 2020.
- 3.4 The grant awards going forwards will continue under two separate agreements with Seacroft Friends and Neighbours. This is in line with existing practice where a single organisation is in receipt of more than one Neighbourhood Network grant.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Executive Member for Adults, Health and Wellbeing has been briefed as of 9th October 2019 on the proposed assignment and the outcome of replacing the existing awardees of the Seacroft Neighbourhood Network Scheme grants with the new charity Seacroft Friends and Neighbours.
- 4.1.2 During discussions about the merger, commissioning officers engaged with colleagues within PACS to ensure all points for consideration were covered. The charities provided feedback around consultations as part of their submitted rationale.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The project brief for the Neighbourhood Network Schemes grant states that the services enabled by the grants are to be delivered irrespective of gender, sexuality, disability, ethnicity, cultural and/or religious beliefs. It also states that organisations should be sensitive to the cultural needs of the populations they support to ensure older people of all communities and cultures benefit.
- 4.2.2 Appropriate policies and procedures were in place with the former charities and have been maintained for the new charity.
- 4.2.3 The delivery of the two areas by the one charity should help further support community integration and cohesion. Individuals living in the jointly covered area will be able to benefit from jointly delivered activities supported by a more resilient staffing structure. This is while still maintaining localised and bespoke opportunities.

4.3 Council policies and the Best Council Plan

- 4.3.1 The main domains of the Best City Priorities as stated in the Best Council Plan 2019/20-2020/21 that this extension contributes towards are 'Health and Wellbeing', 'Age-Friendly Leeds', 'Safe, Strong Communities' and 'Inclusive Growth'. The grants support work that offers and promotes opportunities for older people to be healthy, active, included and respected. Neighbourhood Networks can help: contribute to keeping people safe from harm; helping people out of financial hardship; promoting community respect and resilience, as well as; be part of building thriving and resilient communities

Climate Emergency

- 4.3.2 Neighbourhood Network Scheme grants are based around a community-led model. This looks to empower local communities to grow, develop and become more resilient. The Neighbourhood Network Scheme grants provide one avenue of engagement with local communities as a way of raising environmental awareness and sharing updates on Leeds City Council's work to respond to the climate emergency declared in March 2019.

4.4 Resources, procurement and value for money

- 4.4.1 Any funding referenced in this report for the current financial year is included within the 2019/20 budget and will be reflected as part of future budget setting cycles. The overall value of £1,141,243.12 given within this report is based on current known factors such as the overall potential timeframe of the grants and the fixed period of the NHS Leeds CCG supplementary funding, which is scheduled to end 30th September 2023.
- 4.4.2 The grant funding model for Neighbourhood Network Schemes creates a secure platform for organisations to attract further grant investment into their respective areas. This adds to the value offered through the delivery of preventative, empowering services.
- 4.4.3 There will continue to be some resource implications in terms of monitoring the grants going forward. These resources will be provided from within existing hours in the Adults & Health integrated commissioning and contracts teams.

4.5 Legal implications, access to information, and call-in

- 4.5.1 While the overall value of the grants referenced in this report total £1,141,243.12 for the remaining four years plus the option to extend for up to a further five years the actual value of this decision is nil. This is due to the decision not incurring any new expenditure outside of the expenditure approved in previous delegated decisions on these grants.
- 4.5.2 As the circumstances covered within this report are not a direct consequence of an existing decision, i.e. no one could have foreseen these assignments and it wasn't contemplated at the time, this decision is to be considered in its own right. For reasons of transparency and accountability the decision is to be treated as a significant operational decision.
- 4.5.3 Although there is no overriding legal obstacle preventing the actions detailed here from taking place the contents of this report should be noted. In making their final

decision, the Director of Adults and Health should be satisfied that the course of action chosen represents best value for the Council.

4.6 Risk management

- 4.6.1 If the request to approve the assignment of the grants for North Seacroft (Area 12) and South Seacroft (Area 4) and the award to the new charity Seacroft Friends and Neighbours is not approved funding arrangements will need to continue with the existing charities. This would be counter to the evidence the organisations have presented as to why a merger is necessary for the benefit of the two areas.
- 4.6.2 The merger itself should provide a range of benefits that offer greater security around the grant investment. These benefits include: increased cost efficiencies through the merger of back office systems and reduced overheads, allowing a higher proportion of funding to be allocated to service delivery; improved staffing resources to cover absence for holidays, training and sickness, and; a greater scope of influence by being a single organisation covering a wider geographical area. This is while still maintaining a local, community-led approach.

5. Conclusions

- 5.1 The merger of the two Seacroft charities has a clear rationale and should result in a single, more robust charity that will continue to maintain its locally-led nature while bringing communities closer together.
- 5.2 In mind of the benefits presented by the merger, the assignment of the existing grant agreements from the existing charities to the new single identity is a logical process.

6. Recommendations

- 6.1 The Director of Adults and Health is recommended to approve the assignment of Neighbourhood Network grants North Seacroft (Area 12) and South Seacroft (Area 4) from the charities North Seacroft Good Neighbours and South Seacroft Friends and Neighbours to the newly formed charity Seacroft Friends and Neighbours.

7. Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.