

Subject: Community Hubs Investment Fund
Report of: Inclusive Economy Adviser
Portfolio: Social economy and communities

Report Summary

The purpose of this report is to outline the final arrangements for a North of Tyne Community Hubs pilot programme.

In July 2020 North of Tyne Combined Authority (NTCA) Cabinet approved a Community Hubs Investment Fund (CHIF) for the North of Tyne. £1.53m was proposed for the Fund, subject to the development of an Operational Delivery Plan for the Fund programme. This Plan was approved by Investment Panel in October 2020. In Spring 2021 Local Authorities submitted bids for funding which reflected the distinctive needs of their areas and were developed in partnership with voluntary, community and social enterprise sector (VCSE) partners, in line with NTCA's assurance framework.

In May 2021 Investment Panel recommended the final bid for Northumberland for funding, to start delivery in Summer 2021. In accordance with the recommendations of Cabinet the Head of Paid Service, in consultation with the Investment Panel and the Mayor (as Portfolio holder for this workstream), can now approve these business cases to enable project delivery to begin.

Recommendation

The Head of Paid Service is recommended to approve the Northumberland Communities Together project following consultation with the Mayor, in line with the Delegation agreed by Cabinet in July 2020.

1. Background Information, Proposals and Timetable for Implementation

- 1.1 At its meeting on 28 July 2020 Cabinet agreed the approach to the establishment of the Community Hubs Investment Fund (CHIF). In this report NTCA defined community hubs as organisations or projects which:
1. Deliver broad community and economic impact, often as a 'hub' for other activities and projects.
 2. Are locally-rooted and demonstrate a strong understanding of neighbourhood needs and issues.
 3. Trade for the benefit of the local community and are accountable to that community.
- 1.2 The aim of the CHIF was to support the capacity of Community Hubs to innovate and improve their ability to trade and achieve financial sustainability and support jobs.
- 1.3 Cabinet agreed the key principles of the CHIF as follows:
- Be focussed on activities which are clearly in-line with CHIF criteria (1.5 below);
 - Add value to or support the actions of local authorities and VCSE partners in improving the economic resilience of local areas by creating strong organisations which deliver employment, skills and social inclusion outcomes in Northumberland, North Tyneside and Newcastle;
 - Enable genuine collaboration and shared learning to occur across the North of Tyne through active engagement in the programme's learning and evaluation framework;
 - Fill an identified gap and not duplicate any other funding programmes, especially VCSE emergency funding for Covid;

- Enable local authorities with VCSE partners to develop local delivery approaches which are proportionate, efficient and support an appropriate range of community hubs;
- Be allocated based on a light touch business case process;
- Ensure the CHIF is compliant with all relevant rules and regulations regarding investment of public funds.

1.4 Cabinet also agreed the following CHIF criteria:

- Support the diversification of income streams
- Support the development and delivery of social enterprise activities, such as the creation of more community businesses
- Evidence the development and maintenance of strong local partnerships/networks
- Evidence strong staff and volunteer skillsets and roles
- Evidence strong governance and leadership
- Support the development of local assets
- Clearly demonstrate added value and the non-duplication of existing local provision

1.5 Investment Panel subsequently agreed a framework which allowed the three constituent authorities to access up to £500k each for local interventions, to be developed as part of a collaborative programme that focussed on learning from, and sharing best practice across, the North of Tyne. The CHIF Operational Delivery Plan and supporting Annexes outlined the Fund vision, criteria, and core principles, as agreed by Cabinet in July 2020. £30k was to be retained by NTCA for an overall programme evaluation.

1.6 In April 2021 bids, the final bid from the three areas, Northumberland Communities Together was appraised and considered in line with NTCA's assurance framework. Following May's Investment Panel the project was recommended for funding, without conditions.

1.7 The Northumberland Communities Together project will safeguard or create 2500 sq/m of space for shared community and business activity, create 10 new jobs and provide 8 grants to voluntary and community sector organisations to be more sustainable following CHIF support.

2. Potential Impact on Objectives

2.1 NTCA's measure of success, as outlined in our Vision, is more sustainable communities. NTCA's Inclusive Economy Policy Statement reinforces this by committing to developing an investment approach that links growth with inclusion. Consequently, the Community Hubs Investment Fund directly supports NTCA's Vision and Inclusive Economy Policy Statement.

3. Key Risks

3.1 The following key risks have been identified in relation to the proposals:

Area	Risk	Mitigation
Scope of work	Proposed activities fall outside of NTCA's powers and accountabilities.	NTCA officers have sought advice from the NTCA Investment and Programme Team to ensure the proposed activities are appropriate.
Identification / generation of suitable bids	There is either insufficient or excessive demand for the Fund, creating reputational risk.	Local authority officers and VCSE stakeholders have worked closely with NTCA officers to ensure the process is proportionate to the scale of funding available, targeted at gaps in the existing funding market and that these principles are communicated effectively.
Involvement of appropriate experts from	The Fund does not meet an identified need or duplicates existing provision.	The Fund has been developed with advice from local VCSE and authority experts to ensure it adds value to the existing landscape of provision and

across the NTCA area		supports new opportunities relevant to NTCA policy priorities.
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4. Financial and Other Resources Implications

4.1 NTCA Investment Panel considered the proposal and recommended to the Head of Paid Service, and the Mayor, as Portfolio Holder, that £1.53m of NTCA funding should be approved, allocated from the £12m Inclusive Economy Innovation Fund Investment Plan workstream.

4.2 The programme allocation of £1.5m is recommended for commitment as outlined in the table below.

	Revenue	Capital	CHIF Funding	Eligible Match	Project Total
Northumberland Communities Together Hubs	£274,974	£221,500	£496,474	£0	£496,474
Spirit of North Tyneside	£250,000	£250,000	£500,000	£400,000	£900,000
Newcastle City Council	£500,000	£0	£500,000	£0	£500,000
Total	£1,024,974	£471,500	£1,496,474	£400,000	

4.3 As per the Cabinet delegation, £30k will be retained by NTCA to fund the programme evaluation exercise.

5. Legal Implications

5.1 The Interim Monitoring Officer's comments have been included in this report.

6. Equalities Implications

6.1 It is anticipated that NTCA's CHIF will have limited negative impacts on any groups with protected characteristics, under the terms of the Equality Act 2010. Moreover by investing in Community Hubs which are responsive to the needs of particular places in the North of Tyne CHIF will specifically deliver the aims of the 2010 Equality Act to advance equality of opportunity for all and foster good relations between people of diverse backgrounds, including those with experience of protected characteristics. The consultation and co-design elements of the programme will reinforce this by helping foster improved relationships with and between some cohorts who are typically excluded.

7. Inclusive Economy Implications

7.1 The CHIF proposal reflects NTCA's inclusive economy policy priority by developing activities and interventions which connect local economic resilience with strengthened communities and participation of people and groups. Projects funded through the CHIF will deliver against all five characteristics of the inclusive economy and in particular:

- Participation – working with established and new community assets which retain and grow wealth and participation in their local area.
- Equity – by supporting organisations and projects which often work with groups experiencing marginalisation or disadvantage and connect them with employment, opportunity, services and support.
- Stability – by working with local organisations often seen as anchors, the CHIF proposal will deliver local stability and confidence for local communities.

8. Climate Change Implications

8.1 There are limited climate change implications to this report, however NTCA will work to ensure projects funded via the CHIF are connected to local services and NTCA's own programmes which provide climate education and support.

9. Consultation and Engagement

9.1 Relevant stakeholders have been fully engaged in the development of the CHIF. This has included specialist officers from the three constituent authorities and representatives from the voluntary, community and social enterprise (VCSE) sector, including the Mayoral Ambassador for the VCSE sector. The Mayor, as Portfolio holder, has been consulted throughout the programme's development.

10. Appendices

None.

11. Background Papers

11.1 Community Hubs Investment Fund, Cabinet Report, 28 July 2020

12. Contact Officers

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13. Glossary

CHIF	Community Hubs Investment Fund
NTCA	North of Tyne Combined Authority
VCSE	Voluntary, community and social enterprise

14. Sign-off

1) Portfolio holder Yes	2) Director/SMT Yes	3) Chief Finance Officer: Yes	4) Monitoring Officer: Yes
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