

CABINET MEETING: 17 JULY 2014

DEVELOPING A SOCIAL INNOVATION FUND

REPORT OF DIRECTOR OF ECONOMIC DEVELOPMENT

AGENDA ITEM:6

PORTFOLIO: COMMUNITY DEVELOPMENT, CO-OPERATIVE AND SOCIAL ENTERPRISE (COUNCILLOR PETER BRADBURY)

Reason for this Report

1. To co-ordinate support for the development of new social enterprise in Cardiff in partnership with sector organisations.
2. To establish a Social Innovation Fund for Cardiff.

Background

3. A social enterprise is a business with primarily social objectives. Profit is mostly reinvested in the business or in the community, rather than maximising profit for shareholders and owners. Social enterprises also compete in the marketplace and need to be well run to make money and achieve their social aims. They can vary from small community owned village shops to large organisations delivering public services.¹
4. Social enterprises can make a significant contribution to the local economy, both in terms of direct economic contribution, including job creation, as well as supporting community development. They are often businesses that trade to tackle social problems, improve communities, support individuals in employment who may otherwise have their chances limited, or make contributions to the local environment. Fundamentally a social enterprise will have a social concern related to its business model, and will reinvest surpluses to help achieve these aims.
5. Examples of social enterprises in Cardiff include Cardiff & Vale Credit Union, which offers residents and employees working in Cardiff and the Vale of Glamorgan access to flexible savings accounts and affordable, ethical loans up to £15,000. Another is RCMA Farmers' Markets, which since launching in 1998 has grown and developed a reputation as a friendly place to shop and meet in the community.

¹ <http://business.wales.gov.uk/social-enterprise-support-0>

Issues

6. It is estimated that in Wales there are 3,056 organisations operating in the third sector, employing over 50,000 people, with an income of £1.6bn. Including the impact of work supported by third sector organisations, the total contribution of the sector to Wales is £3.8bn².
7. Given the national pressures on public finance, and current economic conditions there is considerable scope for social enterprise to support community development - both from an economic perspective in terms of job creation, but also in terms of service provision, by providing a mechanism for providing local services which left entirely to the private sector may not be delivered.
8. More recent research has shown that
 - *Social enterprises are very heavily concentrated in the UK's most deprived communities. 38% of all social enterprises work in the most deprived 20% of communities in the UK, compared with 12% of traditional SMEs.*
 - *48% of social enterprises sought to raise external finance in the past 12 months (from a range of options including grants, loans, overdrafts and equity), twice the proportion of SMEs; 39% cited access to finance as the single largest barrier to their growth and sustainability – the most common barrier experienced.*
 - *The median amount of finance sought by social enterprise was £58,000 – below the minimum thresholds of many specialist social investment vehicles.*³
9. The Cardiff Partnership Strategy *What Matters* outlines a commitment to increase the number of social enterprises within the city.
10. Social enterprises require a range of support, depending on the size and sector of the organisation. This can vary from seed finance, business planning support, HR support, legal advice and the typical support that businesses would seek during their initial start-up period. In addition, the *Economy & Culture Scrutiny Committee: 18th March 2010 Social Enterprise Short Scrutiny* identified the following issues relevant to social enterprise:
 - The need to move away from grant reliance
 - Understanding procurement
 - Business rates
 - Asset transfer
11. In addition, there has for some time been a view that support should concentrate on capacity building – ensuring that enterprises are able to deliver services long-term without reliance on subsidy or revenue grants. To that end it is essential that support provided to social enterprise should consider the long-term sustainability of the organisation, and how any support will help to achieve the long-term aims.

² Source: Third Sector Statistical Resource 2013 - WCVA

³ http://www.socialenterprise.org.uk/uploads/files/2013/07/the_peoples_business.pdf

Current Support

12. There is currently a range of support available for social enterprises across Cardiff and Wales. The level of support differs according to location in Wales, with the areas classified as Convergence Areas for EU funding receiving a greater range and value of support than Competitiveness Areas (such as Cardiff). Examples of support in Cardiff include:
13. *Community Asset Transfer* - The Council has been developing a policy on Community Asset Transfer and working with a number of established community based organisations. This has involved support and advice towards lottery applications and improvements to the site.
14. *Other Financial Support* - Where possible the Economic Development Unit use other resources at its disposal to support social enterprises, which has included the use of Section 106 fund to provide grant support towards the community building refurbishment.
15. *Cardiff & Vale Credit Union* - The Council has continued to provide the Cardiff and Vale Credit Union with revenue support. Cardiff and Vale Credit Union, a local not-for-profit, cooperative organisation that provides affordable and competitive unsecured loans and a safe place to save, is also now located at the city centre Advice Hub.
16. *Wales Cooperative Centre* - The Wales Cooperative Centre is Wales leading support organisation to the cooperative and social enterprise sector and is supported via Welsh Government & European Funding.
17. *Private/Public Sector Funding* - Ethically based loan funding can also be sourced through organisation as The Unity Bank, The Charity Bank and Triodos Bank. Finance Wales also support the sector through loan finance.

Proposed Support

18. Whilst there is a range of support available across Cardiff, there remain gaps in provision that can inhibit the development of the sector. In particular, it is difficult for many new social enterprises to get significant support for start-up costs, and to put in place the building blocks for the development of a sustainable enterprise.
19. It is proposed to address these issues through the creation of a new Social Innovation Fund that will support social enterprises with start-up costs. The resources included as part of the scheme will be:
 - Primarily financial support provided directly by Cardiff Council.
 - Advice and support provided, where funded, by the Wales Co-operative Centre
 - Signposting to funding to support ongoing activities provided by Council officers and partnership staff
 - Promotion of crowdfunding activities to support community activities

- Introduction to Charity Bank and loan providers, where enterprise is ready to apply bank debt for financing purposes.
20. The annual amount in total allocated to the fund will be £70,000. The level of support provided will be dependent upon applicants, but it is anticipated that applicants would be seeking support towards start-up costs. The grant would cover capital expenditure, and will be used to support social enterprise in terms of premises costs (including the cost of renovation and improvements to buildings), other start-up capital costs and equipment to support the development of the enterprise.
 21. The fund would be targeted at new social enterprises, and be used to kick-start development rather than to support revenue costs of current enterprises. Additional (non-financial) support would also include:
 - Access to Council expertise, e.g. Community Asset Transfer, market information
 - Partner support from public, private and third sector
 - Access to wider partnership projects and funding streams
 - Next-stage support
 22. The overall aim of the proposal is to support the development of new and sustainable social enterprises to add value to the city's economy and communities by developing capacity for innovative social enterprises to grow.
 23. Support from the Cardiff Social Innovation Fund will only be available for those activities where no other public support is available.
 24. The purpose of the fund is to develop sustainable social enterprises with the potential to make significant contributions to the local community. The Cardiff Social Innovation Fund is therefore focussed on capacity building for organisations and is not awarded for the delivery of activities.
 25. The Council will seek Expressions of Interest from applicants, which will be assessed against an initial set of criteria that will require the applicant to provide evidence of:
 - Quality of management team
 - Need or demand for their product or service
 - Existence of market failure that requires additional support
 - Business plan for the long-term viability of the social enterprise
 - Community support
 - Compliance with objectives with the Cardiff Partnership Strategy 'What Matters'.
 26. Due to the limited funds and the expected competing demands for resources available a board of experts will be formed to both make the decision on whether to award funding or not, as well as to provide initial advice for applicants. It is anticipated in some cases that unsuccessful applicants may have a better route for support, which will be identified

during the EOI phase of the application and communicated back to the applicant.

27. An example of the awarding criteria and initial application form is attached as Appendix 1.
28. The final decision to award the Cardiff Social Innovation Fund will be made by a local board comprising key stakeholders in the sector including:
 - Cardiff Council representative
 - Cardiff Business Council representative
 - Wales Cooperative centre representative
 - Charity Bank representative
 - Neighbourhood Management representative
 - Cardiff Third Sector Council representative
29. The overall application process will therefore require:
 - Expression of Interest (EOI) submitted to Council
 - EOI reviewed and comments fed back to organisation with initial approval or rejection (officer stage based on criteria regarding soundness of proposal)
 - If approved the organisation would submit a revised EOI with additional information to the panel for approval or rejection.
 - If approved a grant agreement would be drawn up between the organisation and the funding body (Cardiff Council)
 - Monitoring would take place on a six monthly basis
 - The Board to provide relevant feedback to applicants.

Reasons for Recommendations

30. To co-ordinate support for the development of new social enterprise in Cardiff in partnership with sector organisations.
31. To establish a fund to enable the development of new social enterprises in Cardiff.

Legal Implications

32. The Council has the power to do anything to promote or improve the economic, environmental and social well-being of its area in accordance with section 2 of the Local Government Act 2000. That power does have limits, including compliance with any statutory guidance on the use of the power and compatibility with the community strategy.
33. As indicated earlier the *What Matters* strategy outlines a commitment to increase the number of social enterprises within the city. The report also highlights the importance of assistance in developing social enterprises in the context of the significant contribution to the local economy they can make, both in terms of direct economic contribution, including job creation, as well as supporting community development.

34. The provision of funding is within that power.
35. The Council will need to put in place processes to ensure that the funding never contravenes state aid (which applies because often such social enterprises are trading in the market). The amount given in any three year period to a single group under this scheme is likely to be below the de minimis (200,000 euro) levels but the threshold also takes into account any other benefits from state resources which the group may have received in that three year period. Consequently processes will need to be put in place to address such issues (as occurs in respect of a number of other schemes).
36. Decisions on allocation will not be made by the Council but by a board set up for that purpose. Nevertheless, the criteria to be set by the Council will constitute the administrative framework within which the board will make its decisions. Consequently the delegation powers of the Council, and the limits on their use, are not engaged.
37. Nevertheless, the Council will want to ensure that the criteria are set by reference to the Council's duties including the public sector duties in relation to equality.
38. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics
39. Protected characteristics are:
 - a. Age
 - b. Gender reassignment
 - c. Sex
 - d. Race – including ethnic or national origin, colour or nationality
 - e. Disability
 - f. Pregnancy and maternity
 - g. Marriage and civil partnership
 - h. Sexual orientation
 - i. Religion or belief – including lack of belief
40. As such decisions on provision of funding to external groups have to be made in the context of the Council's equality act public sector duties.
41. The decision maker must also have regard to certain other matters when making its decision as outlined in the Statutory Screening tool. The decision maker is therefore referred to the Screening Tool attached as Appendix 3.

Financial Implications

42. This report seeks to establish a Cardiff Social Innovation Fund. The allocation of £70,000 will be from the Capital Programme Community Contingency sum and was identified in paragraph 256 of the 2014/15 Budget Report. The items supported by the fund must meet the definition of capital expenditure. Administration of the allocation of these funds will need to be provided from within existing resources.

RECOMMENDATIONS

The Cabinet is recommended to delegate authority to the Director for Economic Development in consultation with the Leader of the Council and the Cabinet Member for Community Development, Co-operatives & Social Enterprise, the Section 151 Officer and County Solicitor to:

1. Allocate £70,000 from existing budgets to the new Cardiff Social Innovation Fund.
2. Agree and finalise the selection criteria for applicants in consultation with the Leader of the Council and the Cabinet Member for Community, Development, the Cardiff 3rd Sector Council (C3SC), Wales Cooperative Centre and the Charity Bank representative for Wales.
3. Agree and finalise the membership of the Grant Award Board for the Cardiff Social Innovation Fund.

NEIL HANRATTY

Director

11 July 2014

The following Appendices are attached

Appendix 1 - Social Innovation Fund Process V1 0

Appendix 2 - Draft Revised Application Form

Appendix 3 – Statutory Screening Tool

SOCIAL INNOVATION FUND PROCESS DOCUMENT V.1

This document details the procedures and parameters to be administered by Cardiff Council in its management of the Social Innovation Fund.

1.0 FUND DETAILS

The social innovation fund will be managed under the umbrella of the Capital Cardiff Fund schemes. Capital grants will be available towards start up costs for new social enterprises in Cardiff.

The total fund budget is £70,000.

1.1 Qualifying client groups and projects

Applicants must fall into the category of a Small or Medium Enterprise (SME), defined by the European Commission as follows:

- Employ between 1 and 249 persons
- Have an annual turnover not exceeding €50 million OR
- Have an annual balance sheet total not exceeding €43 million.

Eligibility is also dependent on the following criteria:

- pre-start or newly established enterprises
- An enterprise address or based at home only if case of having appropriate building permission and paying business rates.
- Job creation (at least 3 jobs over a 3 year period)
- Make a positive impact on at least two of the outcomes of the Cardiff Partnership Strategy 'What Matters', namely:
 - Cardiff is a fair, just and inclusive society.
 - Cardiff is a Great Place to Live, Work and Play
 - People in Cardiff achieve their full potential;
 - Cardiff has a thriving and prosperous economy;
 - People in Cardiff are safe and feel safe;
 - People in Cardiff have a clean, attractive and sustainable environment;
 - People in Cardiff are healthy;

1.2 Eligible Expenditure

The grant will support the capital start up costs of a project as follows:

- Equipment / machinery / technology
- Environmental improvements – including renovation or improvements buildings, security, lighting, CCTV, signage, cladding, infrastructure.

- Any other start up costs deemed to be capital expenditure.

NB - Only Capital expenditure which falls within the definition compliant with Public Sector Accounting Regulations can be accepted.

1.3 Ineligible Expenditure

The grant will not cover any revenue costs which include, operational costs for premises, advertising, websites, staff costs or consumables.

2.0 CONDITIONS OF AWARD

- a) Where it is evident that there is a requirement for the business owner or Director to develop his/her leadership, management and/or general business skills, the approval of funding should be subject to the recipient accessing professional support to develop these skills within an agreed timescale.
- b) Financial assistance is to represent up to 100% of eligible costs. The level of grant will be determined on a case by case basis by the panel following a review of a project.
- c) The following updates will be reported internally when required:
 - Enquiries received, applications made & grants approved
 - The balance of the fund and deductions made
- d) Grants will be paid retrospectively upon receipt of invoices and a company visit to view works undertaken or equipment purchased
- e) All applications will be processed in accordance with Cardiff Council fund procedures as follows:
 - Expression of Interest (EOI) submitted
 - EOI reviewed and comments feedback to the applicant with an initial approval or rejection (at Officer level based on criteria regarding viability of proposal etc)
 - If approved the applicant will submit a revised EOI and supporting documentation to a panel for final approval or rejection.
 - If approved the applicant will receive an Offer Letter confirming the value and terms of the grant.
- f) As part of the review of the EOI the following checks will be carried out to validate the information:
 - An independent Credit check
 - Business Rates / council tax checks to ensure no outstanding debts exist
 - Bank References (where necessary)
 - Review of proposal and financial forecasts

g) Following payment of funding, the Council will monitor the performance of all enterprises on a six monthly basis reporting specifically on job creation, as a consequence of this financial support.

h) The general power to grant financial assistance, in support of the promotion and improvement of Economic Well-Being, is contained in section 2 of the Local Government Act 2000.



CITY OF CARDIFF COUNCIL

Economic Development

The Courtyard

County Hall

Atlantic Wharf

Cardiff

CF10 4UW

APPLICATION FOR FINANCIAL ASSISTANCE

**Capital Cardiff Fund / Revenue Fund /
Social Innovation Fund**

Date of Application:	
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Application Type: (Please tick)	
Start-up Fund	
Investment Fund	
Business Plan Grant	
Social Innovation Fund	

SECTION 1 – Company Details

Organisation Name:	
Registration number:	
Registered Business Address:	
Operational Address (if different):	
Tel No:	
Fax No:	
Website:	
Contact Name:	
Contact Number:	
Contact Email	

Company Sector (Please tick)	
Bio / Life Sciences	
Creative Industries	
ICT	
Manufacturing	
Financial & Business Services	
Environmental / Green Technologies	
Food	
Retail	
Training	
Social Enterprise	

SECTION 2 - Company Directors

Director Name	Home address	Financial Interest (%)

SECTION 3 – Business Activity

Nature of Business (including description of business activity)

Date Company Registered			
Date Company began trading (if different)			
Status of Company (please tick)			
Sole Trader		Partnership	
Limited (Ltd)		Co-operative	
Social Enterprise		CIC	
Name of Bank			
Address of Bank			
Account Manager Name			
Contact Email / Tel			
Would you object to bank refs being sought? (delete as appropriate)	YES	NO	
Name of Accountant			
Address of Accountant			
Accountant Name			
Contact Email / Tel			
Is the Enterprise Part of a group? (If yes please provide details)			

SECTION 4 – Project Details

Please provide details of the project for which assistance is being requested:

--

SECTION 5 – Project Costs & Match Funding

Project Costs (<i>quotations must be included</i>)	
Equipment / Machinery	£
Building Adaptations	£
Environmental Improvements	£
Technology / IT Infrastructure	£
Other (please specify)	£
Sub Total (A)	£

Resources Available / Match Funding Secured	
Directors own funds	£
Directors Loans	£
Bank Loan	£
Bank Overdraft	£
Retained Profits	£
Other Public Sector – (WG, UnLtd, Fusion IP, Finance Wales etc)	£
Other (please specify)	£
Sub Total (B)	£

Funding gap (sub total A - B)	£
Loan / Grant Requested	£

**** Financial Information****

Financial forecast covering at least 3 years must be submitted with the business plan.

If the business has been trading for more and 1 year, please provide a copy of the latest audited accounts and management accounts.

Please provide details of any financial assistance (grants or soft loans) that you have received during the past 3 years

SECTION 6 – Employment Details

No. of Existing employees	F/T		P/T	
	Q1 Apr-Jun	Q2 Jul-Sep	Q3 Oct-Dec	Q4 Jan-Mar
No of new jobs in 1 st year				
No of new jobs in 2 nd year				
No of new jobs in 3 rd year				
No of jobs safeguarded (if appropriate)				

SECTION 7 – Market

Please provide details of the market you serve including existing and proposed customers and how you have determined the level of sales in your financial forecasts:



SECTION 8 – Checklist

Please ensure that you have included all supporting evidence as outlined in the Checklist below. Failure to do so may result in your application and any offer of financial support being delayed.

Please note – copies of official company documents will be sufficient.

Document	Please Tick
Business plan (with 3 year financial forecasts)	
Audited & Management accounts (if applicable)	
Quotations	
Evidence of match funding	
Memorandum of articles	
Directors evidence of assets for personal guarantee (loan only)	
Marketing Plan (where appropriate)	

SECTION 9 – Declaration

Are you currently an employee of the Council? (if yes, please provide the following details)	YES	NO
Department		
Job Title		
Location		
Period of service (years / months)		

1. I confirm to the best of my knowledge that all the details provided in this application and supporting documentation are correct.
2. If the application for financial support is successful, I may be required to submit additional information to the Council to enable the loan/grant to be paid.
3. I understand that I may not make any financial commitment to the project for which support is being sought, prior to any authorisation or consent being obtained.

Signed	
Print Name	
Designation	
For and on behalf of	
Date	

Any Financial support approved will be subject to the Council's Terms and Conditions which will be detailed in the offer letter. Financial support is given at the discretion of the Council.

The data supplied in this form will be processed in accordance with the requirements of the Data Protection Act. In supplying the information you consent to the Council processing the data for the purpose it is supplied. All personal information provided will be treated in the strictest confidence and will only be used by the Council or disclosed to others for a purpose permitted by law.

CARDIFF COUNCIL MONITORING FORM

Cardiff Council wants to make sure that all its services are accessible to everyone. We therefore ask you to answer the following questions so we can be sure our services are delivered fairly and that no-one is discriminated against.

All questions are voluntary and it will not make any difference to the services you receive if you do not answer them. By choosing to answer them you are helping us to ensure everyone in our city is treated equally.

Any information provided will be treated confidentially and we will not ask you to provide your name.

Where you live

So that we can target our services across the city, please tell us which area/suburb of Cardiff you live in:

Gender

Male

M-T-F

Female

F-T-M

Prefer not to say

What is your age?

Under 16

16 - 24

25 - 34

35 - 44

45 - 54

55 - 64

65+

Prefer not to say

Disability

Identifying as a disabled person can include people with hearing or sight impairments, people with mental health difficulties or learning disabilities, people with mobility impairments, or those who have long-term health conditions, for example: depression, diabetes, asthma, multiple sclerosis, HIV or cancer.

Do you identify as a disabled person?

Yes (please specify):

No

Prefer not to say

Deaf / Deafened / Hard of hearing

Mobility impairment

Long standing illness or health condition

Wheelchair user

Learning impairment / difficulties

Visual impairment

Mental Health difficulties

Prefer not to say

Other (please specify):

Sexual Orientation (only answer this question if you are over the age of 16)

Gay Man

Gay Woman / Lesbian

Heterosexual / Straight

Bisexual

Prefer not to say

Other (please specify):

Religious Belief / Non-Belief

Do you regard yourself as belonging to any particular religion?

Yes (please specify):

No, no religion

Christian

Buddhist

Hindu

Prefer not to say

Muslim

Sikh

Jewish

Other (please specify):



Language Skills English Other (please specify):
 Welsh

What is your current Marital or Civil Partnership Status (only answer this question if you are over the age of 16)

Single Married Registered Civil Partnership Prefer not to say
 Other (please specify):

Ethnic Monitoring

Do you consider yourself to be Welsh? Yes No

White Welsh / English / Scottish Northern Irish / British Irish Other White background
 (please specify):

Mixed / Multiple Ethnic Groups White & Black Caribbean White & Black African White & Asian Other Mixed/Multiple ethnic background
 (please specify):

Asian / Asian British Indian Pakistani Bangladeshi Chinese Other Asian background
 (please specify):

Black/ African/ Caribbean/ Black British African Caribbean Other Black / African / Caribbean background
 (please specify):

Other Ethnicity Arab Czech Gypsy/Irish Traveller Japanese
 Polish Yemeni Other (please specify):

Prefer not to say

Pregnancy and Maternity

Are you pregnant, or have you given birth within the last 26 weeks?

Pregnant Given birth No Prefer not to say

Carers

Do you have Caring responsibilities? Yes No

A carer is a person who looks after a relative, partner, friend or neighbour who is unable to manage without help because of age, impairment or health condition, drug or alcohol problem or long-term illness. The care they give is unpaid. It also includes Parent Carers (or a person who has assumed parental responsibility) of a child or young person under 18 years old who needs support due to having a physical or mental impairment or long-term health condition.

**Thank you for taking the time to complete
the Cardiff Council Monitoring Form**

APPENDIX 3: Statutory Screening Tool

Name of Strategy / Policy / Activity: DEVELOPING A SOCIAL INNOVATION FUND	Date of Screening: 23rd June 2014
Service Area/Section: Economic Development	Lead Officer: Jonathan Day
Attendees: Jonathan Day, Economic and European Policy Manager Andrew Lucas, Citizen Focus Officer Liz Lambert, Sustainability Group Leader	

What are the objectives of the Policy/Strategy/Project/Procedure/Service/Function	Please provide background information on the Policy/Strategy/Project/Procedure/Service/Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]
<ol style="list-style-type: none"> 1. To co-ordinate support for the development of new social enterprise in Cardiff in partnership with sector organisations. 2. To establish a Social Innovation Fund for Cardiff. 	<p>It is estimated that in Wales there are 3,056 organisations undertaking social enterprise activity and the size of the social enterprise sector in terms of turnover is £2,183 million based on Financial Year 07/08 figures. This would suggest that the social enterprise sector contributes 2.6% to the turnover of all enterprises in Wales. Given the national pressures on public finance, and current economic conditions there is considerable scope for social enterprise to support community development - both from an economic perspective in terms of job creation, but also in terms of service provision, by providing a mechanism for providing local services which left entirely to the private sector may not be delivered. Social enterprises are very heavily concentrated in the UK's most deprived communities. 38% of all social enterprises work in the most deprived 20% of communities in the UK, compared with 12% of traditional SMEs.</p>

Part 1: Impact on outcomes and due regard to Sustainable Development

Please use the following scale when considering what contribution the activity makes:		
+	Positive	Positive contribution to the outcome
-	Negative	Negative contribution to the outcome
ntrl	Neutral	Neutral contribution to the outcome
Uncertain	Not Sure	Uncertain if any contribution is made to the outcome

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
1.1	People in Cardiff are healthy; <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <i>the promotion of good health, prevention of damaging behaviour, promote healthy eating/active lifestyles etc,</i> <i>vulnerable citizens and areas of multiple deprivation</i> <i>Addressing instances of inequality in health</i> 	✓ ? (Potential)			✓	Impact is uncertain – but is more likely to be positive. Eligible projects may include activities that support healthier lifestyles. This will, however, be dependent on the projects that are supported. It could be argued that the fund, as it is supporting social enterprises, may be more likely that overall business support activities to have a positive impact on healthier lifestyles due to the non-profit focus of the enterprise.
1.2	People in Cardiff have a clean, attractive and sustainable environment; <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <i>the causes and consequences of Climate Change and creating a carbon lite city</i> 	✓ ?			✓	Impact is uncertain – but is more likely to be positive. Eligible projects may include activities that support a more sustainable environment. This will, however, be dependent on the projects that are supported. It could be argued that the fund, as it is supporting social enterprises, may be more likely that overall business support activities to have a positive impact on local sustainability due to the non-profit focus of the enterprise
	<ul style="list-style-type: none"> <i>encouraging walking, cycling, and use of public transport and improving access to countryside and open space</i> 	✓ ?			✓	
	<ul style="list-style-type: none"> <i>reducing environmental pollution (land, air, noise and water)</i> 	✓ ?			✓	
	<ul style="list-style-type: none"> <i>reducing consumption and encouraging waste reduction, reuse, recycling and recovery</i> 	✓ ?			✓	
	<ul style="list-style-type: none"> <i>encouraging biodiversity</i> 	✓ ?			✓	
1.3	People in Cardiff are safe and feel safe; <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <i>reducing crime, fear of crime and increasing safety of</i> 	✓ ?			✓	Impact is uncertain – but is more likely to be positive. Eligible projects may include activities that support a safer

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
	<i>individuals</i> <ul style="list-style-type: none"> • <i>addressing anti-social behaviour</i> • <i>protecting vulnerable adults and children in Cardiff from harm or abuse</i> 					environment. This will, however, be dependent on the projects that are supported. It could be argued that the fund, as it is supporting social enterprises, may be more likely that overall business support activities to have a positive impact on local safety due to the non-profit focus of the enterprise
1.4	Cardiff has a thriving and prosperous economy; <i>Consider the potential impact on</i> <ul style="list-style-type: none"> • <i>economic competitiveness (enterprise activity, social enterprises, average earnings, improve productivity)</i> • <i>Assisting those Not in Education, Employment or Training</i> • <i>attracting and retaining workers (new employment and training opportunities, increase the value of employment,)</i> • <i>promoting local procurement opportunities or enhancing the capacity of local companies to compete</i> 	✓ ?			✓	Impact is uncertain – but is more likely to be positive. Eligible projects will need to outline how many jobs will be created as part of the project. Social enterprises can also help to provide employment opportunities for those who may otherwise have difficulties in accessing the labour market.
1.5	People in Cardiff achieve their full potential; <i>Consider the potential impact on</i> <ul style="list-style-type: none"> • <i>promoting and improving access to life-long learning in Cardiff</i> • <i>raising levels of skills and qualifications</i> • <i>giving children the best start</i> • <i>improving the understanding of sustainability</i> • <i>addressing child poverty (financial poverty, access poverty, participation poverty)</i> • <i>the United Nations Convention on the Rights of a Child and Principles for Older persons</i> 	✓ ?			✓	Impact is uncertain – but is more likely to be positive. Eligible projects may include activities that support learning and skills development. This will, however, be dependent on the projects that are supported. It could be argued that the fund, as it is supporting social enterprises, may be more likely that overall business support activities to have a positive impact on skills development to the non-profit focus of the enterprise
1.6	Cardiff is a Great Place to Live, Work and Play <i>Consider the potential impact on</i> <ul style="list-style-type: none"> • <i>promoting the cultural diversity of Cardiff</i> • <i>encouraging participation and access for all to physical activity, leisure & culture</i> • <i>play opportunities for Children and Young People</i> • <i>protecting and enhancing the landscape and historic heritage of Cardiff</i> 	✓ ?			✓	Impact is uncertain – but is more likely to be positive. Eligible projects would potentially include cultural and recreational projects that may not otherwise benefit from traditional business support activities.

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
	<ul style="list-style-type: none"> <i>promoting the City's international links</i> 					
1.7	Cardiff is a fair, just and inclusive society. Consider the potential impact on <ul style="list-style-type: none"> <i>the elimination of discrimination, harassment or victimisation for equality groups</i> 	✓ ?			✓	Impact is uncertain – but is more likely to be positive. Social enterprises can often support populations with low incomes that may not be able to access support through more commercially driven organisations. Subsequently, there is likely to be a positive impact in supporting a fair, just and inclusive society.
	<ul style="list-style-type: none"> <i>has the community or stakeholders been engaged in developing the strategy/policy/activity?</i> <i>how will citizen participation be encouraged (encouraging actions that consider different forms of consultation, through more in depth engagement to full participation in service development and delivery)?</i> 	✓ ?			✓	
	Will this Policy/Strategy/Project have a differential impact on any of the following:					<i>Please give details/consequences of the differential impact (positive and negative), and what action(s) can you take to address any negative implications?</i>
	<ul style="list-style-type: none"> Age (including children and young people aged 0-25 and older people over 65 in line with the United Nations Conventions) 	✓ ?			✓	Impact is uncertain – but is more likely to be positive. Social enterprises can often support those with protected characteristics, though this would be heavily dependent upon the particular project supported.
	<ul style="list-style-type: none"> Disability 	✓ ?			✓	
	<ul style="list-style-type: none"> Gender Reassignment 	✓ ?			✓	
	<ul style="list-style-type: none"> Marriage & Civil Partnership 	✓ ?			✓	
	<ul style="list-style-type: none"> Pregnancy & Maternity 	✓ ?			✓	
	<ul style="list-style-type: none"> Race 	✓ ?			✓	
	<ul style="list-style-type: none"> Religion/Belief 	✓ ?			✓	
	<ul style="list-style-type: none"> Sex 	✓ ?			✓	
	<ul style="list-style-type: none"> Sexual Orientation 	✓ ?			✓	
	<ul style="list-style-type: none"> Welsh Language 	✓ ?			✓	
		Yes	No			
Is a Full Equality Impact Assessment Required?			✓			
Is a Full Child Rights Impact Assessment Required			✓			

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
1.8	<p>The Council delivers positive outcomes for the city and its citizens through strong partnerships</p> <p><i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> strengthening partnerships with business and voluntary sectors the collaboration agenda and the potential for shared services, cross-boundary working and efficiency savings 	✓ ?			✓	<p>Impact is uncertain – but is more likely to be positive.</p> <p>Social enterprises can support wider collaboration across sectors in Cardiff, though this would not be a pre-requisite for the fund.</p>

SUMMARY OF APPRAISAL (highlight positive and negative effects of the policy / plan / project being assessed, demonstrating how it contributes to the economic, social and environmental sustainability of the city):

Overall, as this is an additional activity, with the potential to support activities that may not benefit from for-profit organisations, there is considerable scope for the Social Innovation Fund to have a positive impact across all partnership outcomes. Nonetheless this would be heavily project dependent. Given evidence from elsewhere, however, it is expected that the support will provide additional capacity for activities that will support or help achieve the outcomes for low income groups in particular.

WHAT ACTIONS HAVE BEEN IDENTIFIED OR CHANGES BEEN MADE TO THE POLICY / PLAN / PROJECT AS A RESULT OF THIS APPRAISAL:

SOCIAL INNOVATION FUND - PROCESS DOCUMENT V.1 revised to include:

Make a positive impact on at least two of the outcomes of the Cardiff Partnership Strategy 'What Matters', namely:

- Cardiff is a fair, just and inclusive society.
- Cardiff is a Great Place to Live, Work and Play
- People in Cardiff achieve their full potential;
- Cardiff has a thriving and prosperous economy;
- People in Cardiff are safe and feel safe;
- People in Cardiff have a clean, attractive and sustainable environment;
- People in Cardiff are healthy;

Cabinet report revised to include reference to communicating the project widely with community groups.

Part 2: Strategic Environmental Assessment Screening

		Yes	No
2.1	Does the plan or programme set the framework for future development consent?		x
2.2	Is the plan or programme likely to have significant, positive or negative, environmental effects?		x

<p>Is a Full Strategic Environmental Assessment Screening Needed?</p> <ul style="list-style-type: none"> ▪ If yes has been ticked to both questions 2.1 and 2.2 then the answer is yes ▪ If a full SEA Screening is required then please contact the Sustainable Development Unit to arrange (details below) 	Yes	No x
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If you have any doubt on your answers to the above questions regarding SEA then please consult with the Sustainable Development Unit on 2087 3228 sustainabledevelopment@cardiff.gov.uk

Part 3: Habitat Regulation Assessment (HRA)

		Yes	No	Unsure
3.1	Will the plan, project or programme results in an activity which is known to affect a European site, such as the Severn Estuary or the Cardiff Beech Woods?		x	
3.2	Will the plan, project or programme which steers development towards an area that includes a European site, such as the Severn Estuary or the Cardiff Beech Woods or may indirectly affect a European site?		x	
3.3	Is a full HRA needed?		x	

Details of the strategy will be sent to the County Ecologist on completion of the process to determine if a Habitat Regulation Assessment is needed. For further information please phone 2087 3215 or email biodiversity@cardiff.gov.uk