

Dear Councillor

CABINET - THURSDAY, 19 JULY 2012

I am now able to enclose for consideration at the above meeting the following reports that were unavailable when the agenda was printed.

**Agenda Item
No.**

5. VOLUNTARY SECTOR FUNDING 2013/2014 ONWARDS (Pages 1 - 12)

To receive a report from the Head of Environmental and Community Health Services on voluntary sector funding from 2013/14 onwards – to follow.

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COMT
Overview & Scrutiny (Social Wellbeing)
Cabinet

25 June 2012
3 July 2012
19 July 2012

VOLUNTARY SECTOR FUNDING 2013/14 ONWARDS

Report by the Head of Environmental & Community Health Services

1. PURPOSE OF REPORT

- 1.1 To allow Members to indicate their preference in relation to the manner of allocation of funds destined to support the voluntary sector in Huntingdonshire from April 2013.

2. FINANCIAL IMPLICATIONS

- 2.1 Following the decision by Cabinet on the 19 January 2012 to set an indicative voluntary sector budget for 2013/14 of £273k to support voluntary sector initiatives that further the council's objectives. £273k (2011-12 prices) has been provided in budget for future years this report sets out a number of options on how the 2013/14 allocation process could be carried out – there are no new financial implications.

3. BACKGROUND

- 3.1 The organisations listed below all have current Service Level Agreements (SLA's) with the authority that are due to end by the 31 March 2013. These organisations are:-
- Huntingdonshire Citizens Advice Bureaux
 - Hunts Forum for Voluntary Organisations
 - Huntingdonshire Volunteer Bureaux
 - Huntingdon Shopmobility
 - St Barnabas Community Learning Centre
 - Disability Information Service Huntingdonshire
- 3.2 The present SLA's with the organisations stipulate that in the final year of the agreement discussions on any future funding should commence no later than six months before the end of the financial year (1 October 2012); and be completed no later than three months before the end of the financial year (31 December 2012). This is to ensure organisations have sufficient time to restructure their organisation if necessary.

- 3.3 It has been 5 years since decisions were last made about the allocation of financial support to the voluntary sector. In the intervening period new organisations have emerged and developed. Equally services have evolved and are being provided in different ways to meet changing demands. To automatically assume that those organisations who currently receive funding are necessarily the only providers of relevant services and activities may be a flawed assumption.

4. PRESENT PROCESS & PROCEDURES

- 4.1 The current procedure for agreeing financial support is that organisations submit a revenue grant aid application form along with their previous year's financial accounts. Council officers undertake a review of all applications received and produce a report along with officer recommendations to be considered by the Cabinet Portfolio holder and the Cabinet Portfolio holder for Finance. A copy of the report is made available to all Council Members and if any comments are received from Members supporting or otherwise any particular application received, these comments are made available to the portfolio holders, prior to decisions been taken to award funding agreements.
- 4.2 Successful organisations are required prior to the commencement of funding to sign service level agreements; these agreements set out the annual performance achievements expected and are based on the information set out in the organisations application submission. The targets are broken down into three monthly objectives against which the organisations are monitored. Six monthly reports are provided to the departmental Portfolio holder and an annual report to the Overview and Scrutiny Social-Wellbeing Panel. If an organisation fails to perform as expected for two consecutive reporting periods this immediately triggers a review meeting which ultimately can result in either changes in performance targets, reduction in funding level or ultimately termination of funding.

5. COMMUNICATING THE CHANGES

- 5.1 Members previously determined that £246k (2011-12 prices) should be available annually for allocation by grant, to qualifying voluntary sector organisations, with funds released from 2013-14. Briefing sessions have already been arranged for July. These are to be provided, by HDC officers, for the benefit of voluntary sector organisations. There are two sessions scheduled: one for those organisations currently in receipt of funding and another for organisations who may be considering the need for financial support from the Council. The aim of the briefing sessions is to provide information about how Huntingdonshire District Council intends to allocate funds in the future.
- 5.2 In addition to direct briefing arrangements details will be available on the District Council's own web site, articles placed in the local press, The Council for Voluntary Service for Huntingdonshire (HFVO) will include details in their E-Bulletin to voluntary sector organisations in Huntingdonshire details will also be included in the new Shape Your Place web site due to be launched in July.

- 5.3 Members previously determined that £27k should be made available annually for allocation by small-grants from the Community Chest, with funds released from 2013-14. With regards the Community Chest programme as this process will not commence until the next financial year the process will be broadly the same as set out in 5.2 with two variations: there will be no 'group' briefings but all Town and Parish Councils will be written to advising them of the programme.

6. COMMUNITY CHEST

- 6.1 In addition to the funding for established voluntary sector organisations Cabinet members indicated that £27k should be set aside for a Community Chest award scheme. Members have indicated that they wished to see the Community Chest funds to assist small-scale or short-term village/community initiatives.
- 6.2 It is proposed therefore that the community chest programme be a simple application process with no closing date for applications. To minimise bureaucracy and provide timely decisions it is suggested that the existing grant-allocation process be adopted. It is part of the process that both the background to each funding-request and the officer's recommendations are provided to all Members to allow any additional pertinent matters to be highlighted prior to the decision-meeting. For this small fund the delegated Members may need to meet on an ad hoc basis until the fund is exhausted or the year.
- 6.3 When the funds available in that financial year are allocated the programme will close until the next financial year; equally any funds unallocated by the end of the year would be automatically rolled over into the following year.
- 6.3 It has been suggested that as the funds available are limited the maximum Community Chest award would be £10k or 50% of the total project cost whichever is the lower amount. Any organisation receiving an award would not be eligible to reapply to the Community Chest fund for 2 years. The aim of this proposal is to facilitate an equitable distribution of funds.

7. PROPOSALS & OPTIONS

- 7.1 The timetable for the Organisational Grants is largely prescribed by the existing agreements so it is proposed that on the 3 September 2012 organisations will be invited to submit their proposals for services/activities to be funded. These proposals will include details of the potential funding required and describe the activities proposed.
- 7.2 Those activities that would be most likely to receive favourable consideration would be those necessary to deliver the following services:-
- provision of independent advice services;
 - increasing capacity of voluntary sector organisations in Huntingdonshire to deliver services and activities;
 - increasing the number of Huntingdonshire residents involved in volunteering; and
 - supporting individuals with mobility challenges to be active citizens.

Detailed specifications for the above activities are set out in appendix 'A'.

- 7.3 The process leading to the 2013-14 allocation is expected to result in competing submissions. The existing process, involving two delegated Members, includes officer-review of submissions. Where competing submissions are deemed to have merit Members may wish to receive a presentation from those organisations who have submitted proposals in which the organisation can describe/clarify how they intend to deliver the service, for which they are requesting funds.
- 7.4 The closing date for proposals to be received by the authority would be the 31 October 2012. It is intended that submissions will be considered and decided before the end of November 2012, thereby keeping within the terms of the present SLA's. This timetable would demand a single meeting for deciding the allocation.
- 7.5 Given the constraints, on the Council, of a 5-year funding arrangement Members may wish to consider altering the duration of grants. Reverting to a one-year grant would give the Council greatest flexibility. However, an annual process restricts organisations' abilities to plan; from about half way through the financial year organisations may expend more effort to acquire succession funding than on delivering their services. There are disadvantages to the Council in a 12-month arrangement too. Annual allocation processes require disproportionate officer and Member time to manage the process. Members may wish to consider moving to a three year allocation process; this is in line with many other authorities.
- 7.6 It has been suggested that a future financial budget to support the Voluntary Sector could be linked to a tapering process in the third year of 3 year funding agreements. The aim of this proposal is to support those Voluntary Organisations who in the previous 2 financial years have acquired external match funding, by linking the percentage of any tapering to the level of funds acquired. Each organisation will be considered on a case by case basis. The objective is to support those organisations who have demonstrated their willingness to actively identify and acquire additional resources to supplement those provided by the Authority

8. CONCLUSIONS

- 8.1 On the 19 January 2012, Cabinet set an indicative budget for 2013/14 which included £273,000 to support voluntary sector initiatives and £27k for a Community Chest. The present agreements with voluntary sector organisations come to an end by 31 March 2013 and the timing of talks/applications for future funding are included within those agreements. Discussions need to start by 1 October 2012 and funding decisions need to be agreed by 31 December 2012, for arrangements starting in April 2013.
- 8.2 In addition to the manner of allocation to the voluntary sector the duration of funding agreements may need changing. Agreements for 5-years allow organisations to plan but restrict the Council's financial flexibility; one-year arrangements are overly bureaucratic and inefficient. Three-year arrangements seem to have found favour elsewhere.

- 8.3 The Community Chest is a small fund where the risks to the Council are limited because individual awards are no greater than £10k and the whole fund is only £27k p.a.. A simple bid/check/allocation process would seem the best fit given the target recipients and the limited risk of abuse.

9. RECOMMENDATIONS

Members are requested to

- 9.1 Offer their support for a move to 3-year periods for funding voluntary sector organisations; or to indicate their preferred arrangement.
- 9.2 Indicate if they wish to retain the established delegation for decisions as set out in Para 4.1
- 9.3 Indicate if they wish for provision to be made to allow some applicants to make presentations in support of their submissions.
- 9.4 Support a simple bid/check/allocation process for Community Chest funding,
- 9.5 Support the proposal that those who are in receipt of funds via the Community Chest should not be eligible for reconsideration for a period of 2 years.
- 9.6 Indicate their support or otherwise for a tapering process to be linked to future funding.

BACKGROUND INFORMATION

Cabinet report, 4 October 2007:	Voluntary Sector Commissioning
Cabinet report, 19 January 2012:	Voluntary Sector Review (Indicative Funding)

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**VOLUNTARY SECTOR FUNDING 2013/14 ONWARDS
(Report by the Overview and Scrutiny Panel (Social Well-Being))**

1. INTRODUCTION

- 1.1 At its meeting held on 3rd July 2012, the Overview and Scrutiny Panel (Social Well-Being) considered a report by the Head of Environmental and Community Health Services on the allocation of funding to support the voluntary sector in Huntingdonshire.
- 1.2 The Managing Director (Communities, Partnerships and Projects) and the Deputy Executive Leader were in attendance at the meeting, together with Councillors G Bull and P G Mitchell. This report summarises the Panel's discussions.

2. THE PANEL'S DISCUSSIONS

- 2.1 The Deputy Executive Leader has drawn the Panel's attention to the current procedure for agreeing financial support together with the criteria that it is planned to use to determine future applications. The new funding model will be a grant based system, which will be more flexible than the previous commissioning model.
- 2.2 Members have considered the suggestion that future financial support should be tapered to ensure voluntary organisations find match-funding for any grant that they receive from the Council in the final year of the three year period. It is argued that this will mean the budget set aside by the Council can stretch further. However, the Panel has expressed reservations over the tapering process because it appears to be prescriptive on the voluntary organisations' part. In response, the Deputy Executive Leader has concurred with the comments made and indicated that it will be up to each individual organisation to determine how they wish to match-fund their activities and the additional value for money they will provide. Comment has also been made on the need to provide alternative ways of supporting the voluntary sector, such as assisting organisations behind the scenes in their search for match funding opportunities.
- 2.3 It has been reiterated to Members that the criteria for funding applications would, overall, determine the success or otherwise of any applications that are received. The process will be open to the whole voluntary sector and not just those organisations that currently hold commissioning agreements with the Council.
- 2.4 It has been confirmed that the relevant Portfolio Holders responsible for determining grant applications will be Councillors T D Sanderson and J A Gray, Executive Members for Healthy and Active Communities and Resources respectively. This is referred to in recommendation 9.2 of the report by the Head of Environmental and Community Health Services.
- 2.5 Owing to their concerns with the proposed tapering process, the Managing Director (Communities, Partnerships and Projects) undertook to make clear that recommendation 9.6 of the report reflects the outcome of the discussions reported in paragraph 2.2 above.

3. RECOMMENDATIONS

3.1 The Cabinet is requested to take into consideration the views of the Overview and Scrutiny Panel (Social Well-Being) as set out above when considering this item.

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Appendix “A”

All organisations submitting proposals must meet the following criteria in addition to the Specific Service Criteria set out later in this appendix.

Financial Systems

- Organisations must comply with all financial and accounting requirements of Charity and/or Company Law;
- Organisations must be able to demonstrate they have in situ good practice in relation to internal financial controls.

Equal Opportunities

- Organisations must have a written Equal Opportunities Policy that must comply with current legislation;
- Organisations must be able to demonstrate how they are implementing their Equal Opportunities Policy.

Employment Practices

- Where staff are to be recruited to deliver services, organisations must ensure all posts are advertised and competitive interviews held.
- Organisations must issue all staff with a statement outlining their terms and conditions of employment.

Insurance

- Organisations must have and maintain adequate insurance cover for all
Activities including:
 - Public Liability
 - Employers' Liability Cover (if Staff are employed);
 - Property and Equipment Insurance against fire, theft, loss or damage;
 - Personal indemnity (if advice is given to members of the public).

Criminal Records Checks

- Organisations must ensure that all Staff and Volunteers who work with Children and Vulnerable Adults have appropriate Criminal Records Bureau clearance to do so.

Management

- Organisations applying for financial support must be able to demonstrate that they hold regular management meetings at which approval is given to all expenditure for the organisation.

In addition to the above organisational requirements set out below are the service specific criteria for the services set out in Section 4.1 of the report.

(a) Provision of Independent Advice Services

Objective: To provide independent accessible and equitable advice and information service for Huntingdonshire residents to accredited quality level. Advice Services must be accessible face to face, electronically or by telephone. The service must include:

- Provide support and advice to Huntingdonshire Residents to enable them to maximise their benefit entitlements;
- Provide support and assistance to Huntingdonshire residents who are experiencing difficulties resulting from debt.
- Where appropriate signpost Huntingdonshire residents onto appropriate agencies who may be better placed to assist.

(b) Increase the Capacity of the Voluntary Sector Organisation in Huntingdonshire to deliver Services and Activities.

Objective: To provide services, and support to voluntary and community organisations in Huntingdonshire to enable them to operate effectively, sustainably and legally in the provision of services and activities for Huntingdonshire residents. The service must include:

- Practical assistance and support including fundraising; training and general support on governance, management and employment;
- Representation of the sector at strategic level, facilitating third sector involvement in shaping the delivery of public services;
- Facilitating consultation and communication, including providing an effective liaison function between the authority and the voluntary and community sector in Huntingdonshire;
- Build the capacity of the voluntary and community organisations to enable the sector to respond to changing needs and circumstances.

(c) **Increasing the number of Huntingdonshire residents involved in volunteering.**

Objective: To both support and encourage Huntingdonshire residents who are or are considering becoming volunteers. Work with, and develop those organisations who would involve volunteers in the service delivery. This will include:-

- Developing and widening volunteering opportunities in Huntingdonshire in the Voluntary and Private Sectors;
- Co-ordination between the major volunteer involving organisations in Huntingdonshire.
- Raise the profile and knowledge of volunteering opportunities in Huntingdonshire.

(d) **Support individuals with Mobility Challenges to be active citizens**

Objective: To provide services that enable individuals with mobility Issues to access town centre facilities. This will include:

- Provision of mobility equipment to enable individuals with mobility difficulties to access town centre facilities.
- To provide advice and information to service users on how to safely use mobility equipment;
- To promote and work in partnerships with agencies to promote accessibility.

In addition to the above criteria organisations should please demonstrate what assistance they provide either direct or via volunteering to Huntingdonshire residents who are looking for support and assistance back into employment.

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