Report of: Corporate Director of Transformation & Resources (Interim)

Relevant Portfolio Holder: Councillor K Wright

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SUBJECT: FUNDING OF VOLUNTARY BODIES & OTHER ORGANISATIONS
CABINET WORKING GROUP

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To advise Cabinet of the recommendations of the Funding of Voluntary and Other Organisations Cabinet Working Group meeting on 24 September 2019 in relation to revenue funding arrangements to voluntary organisations from 1 April 2020 onwards.

2.0 RECOMMENDATIONS

2.1 That the following recommendations of the Funding of Voluntary and Other Organisations Cabinet Working Group attached at Appendix 2 to the report, be endorsed:-

(1) That Cabinet be requested to approve:-

i) the draft specifications for the commissioning of revenue grants from April 2020 attached at Appendix A to the report
ii) the feasibility of a 3 year tiered funding approach
iii) a £30,000 per annum infrastructure budget to be separated from the revenue grants to voluntary organisations budget and tendered separately to provide a greater level of stability to the sector
iv) a sum of £50,000 per annum be allocated from the revenue grants to voluntary organisations budget for the commissioning of revenue grants to support services for the provision of information/advice/money/debt services
v) a sum of £50,000 per annum be allocated from the revenue grants to voluntary organisations budget for the commissioning of revenue grants to support services to improve independent living (elderly, young families, vulnerable, veterans, residents with disabilities) and their families
vi) commissioning for a 3 year period from April 2020 if a tiered approach (referred to in ii above) is not feasible

vii) a smaller grants pot be established with a budget of £26,000 made up from the current Community Chest and the remaining monies within the revenue grants budget

viii) the management of the smaller grants pot to remain “in house”

ix) the smaller grants pot to retain the individual grants element

x) the Corporate Director of Transformation and Resources in consultation with the Portfolio Holder for Health & Community Safety establish an application criteria/mechanism/maximum level of funding etc. for the Smaller Grants pot.

2.2 That following consideration of a 3 year tiered funding approach, the commissioning of revenue grants to voluntary organisations from April 2020 be for a 3 year period.

3.0 BACKGROUND

3.1 The Funding of Voluntary & Other Organisations Cabinet Working Group met on 24 September 2019 and agreed the proposed specifications and level of funding for each of the three areas for commissioning of revenue grants to voluntary organisations from 1 April 2020.

3.2 The Working Group and also requested that a 3 year tiered funding approach be explored and considered options for the establishment of a Smaller Grants Pot.

4.0 CURRENT POSITION

Specifications

4.1 The three areas for commissioning agreed by the Working Group are for the provision of:-

   a) Information/Advice/Money/Debt services,
   b) Services to improve independent living (elderly, young families, vulnerable, veterans, residents with disabilities) and their families and
   c) infrastructure support for voluntary, community and faith sector organisations (VCFS) within the Borough

4.2 It was agreed that a sum of £50,000 per annum be allocated for commissioning of information/advice/money/debt services and independent living a) and b) above.

4.3 A sum of £30,000 per annum for the provision of voluntary sector infrastructure was agreed in order to ensure that support to local and voluntary groups is available particularly to facilitate networking between the groups, provide a voice for the sector, share knowledge and spread expertise. The Working Group recommended that the £30,000 per annum Infrastructure budget be removed from the voluntary organisations revenue grants budget and tendered separately in recognition of the invaluable role infrastructure support plays in providing a platform and level of stability to the sector.
Tiered Funding

4.4 The Working Group requested that a 3 year tiered funding approach be explored with the intention to give organisations the ability to bid for funding each year. Should this approach not prove feasible, the original proposals for 3 year funding should commence.

4.5 Consideration of a tiered approach found that in order to be transparent and equal the allocated sum for each tender should be split for each year and be for the same amount (approximately £16,000 for Lots a and b above and £10,000 for c). Successful applicants would subsequently receive differing sums within the 3 year period.

5.0 CONCLUSIONS

5.1 Almost exclusive feedback from the voluntary sector was that they wanted security of funding for 3 years, a tiered approach does not provide this for the sector. It would also limit the scope of a bidder to the funding opportunity and not encourage collaboration/joined up approach.

5.2 Commissioning of revenue grants is outcome based and focussed on the needs of residents and provides for a more joined up approach to the whole sector as there is an opportunity for collaboration and consortia bids. However, there is a possibility that voluntary organisations currently in receipt of revenue funding may not be successful in securing further funding. A procurement process may lead to one provider securing all of the funding for a Lot for the whole 3 year period.

6.0 SUSTAINABILITY IMPLICATIONS

6.1 The resolution of the issues identified will assist in ensuring that the Council's resources are used as effectively as possible, whilst improving people’s ability to meet their basic needs irrespective of their income and employment status.

6.2 Commissioning Services directly by the Council will provide an opportunity for the Council to support services which will empower residents to independence and to support the most vulnerable and isolated and to provide stability to the voluntary sector.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 The recommendations of the Working Group will be met from within existing budgets.

8.0 RISK ASSESSMENT

8.1 There are risks associated with the adoption of a new approach in that voluntary organisation(s) currently funded by way of a grant may not continue to receive funding in the future or may receive a reduced level of funding which could have a detrimental impact on their service and on residents of the Borough.
8.2 There is also an opportunity for organisations who may not have received funding in the past to make an application either in their own right or as part of a consortium application which could, if successful, provide new/enhanced services to residents.

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**Background Documents**
There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this report.

**Equality Impact Assessment**
There is a significant direct impact on members of the public, employees, elected members and/or stakeholders. Therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report.

**Appendices**
1. Equality Impact Assessment
2. Minutes of the Funding of Voluntary & Other Organisations Working Group held on 24 September 2019