

**Report of The Head of Finance**

**Voluntary and Community Sector Funding**

**1 Purpose of report**

To provide an update on the allocation of the voluntary and community funding to date, to propose further funding streams and uses of the remaining funding, as recommended by the Grants Working Party.

**2 Executive summary**

In February 2012 a report was presented to this committee on the allocation of voluntary and community funding for a period of 3 years from April 2012 to March 2015. These agreements were extended for a further 12 months as part of the 2015-16 budget process and expired in March 2016.

In June 2014 a further report was brought to Resources committee to create a member working party to review the process and propose a way forwards. The recommendations from the working party were presented to council in January 2016, and agreed.

The allocations of the funding have now progressed as detailed in this report, along with further recommendations from the working group on the use of the remaining funding for the year.

**3 Appendices**

Appendix 1: Allocations of funding to date and balance remaining

**4 Proposed action:**

**The committee is invited to RESOLVE to:**

**4.1 Note voluntary and community sector allocations to date, and the current budgetary position;**

**4.2 Consider the recommendations made by the member working party in section 6.19 (b) of the report and advise officers how to proceed with these matters.**

## **5 Background**

- 5.1 A members' working party was created in June 2014 to review the award of voluntary and community sector funding, and the services these provided.
- 5.2 The member working party discussed and reviewed the outcomes which would be needed from this funding, considering both value for money and procurement implications. The recommendation from the member working party, agreed by Resources Committee in January 2016, was to refresh the outcomes from the previous process, and the budgets associated with each, and to commission these services for a further two years up to March 2018.
- 5.3 These services have now been commissioned in line with the agreed specifications and have been allocated as shown in Appendix 1.
- 5.4 A balance still remains to be allocated and further specifications on additional outcomes have been proposed by the working group, as shown in Appendix 2.
- 5.5 The working group has also suggested that some of the remaining funding be used to enhance the small grants budget and for one off hardship or transitional funding for voluntary and community groups.

## **6 Discussion**

- 6.1 The allocations for the agreed specifications are now all either completed or nearing completion. This puts in place agreements with the organisations for the funding as specified until March 2018. Outcomes will be monitored throughout this period to ensure that the funding is delivering on the requirements as stated.
- 6.2 During the period up to March 2018 further work can be undertaken by the member working party to ensure that the funding and outcomes for the voluntary and community sector reflect the council's medium term position on both priorities and finances. This will be an opportunity for further consultation with key stakeholders so that the commissioning of services from April 2018 can be better planned, is undertaken in line with council policies, and meets local need.
- 6.3 The council can continue to award small grants and to fund other collaborative community initiatives. The working group have recommended that £3,000 of the remaining funding be allocated to the small grants budget for the next 2 years. The funding and criteria for these areas can also be included in the full review over the next two years.
- 6.4 This mix of funding and procuring services gives the council both flexibility and also adaptability to respond to the changing needs of the borough as a community, whilst encouraging community groups to take an active role in the provision of services for the people of the borough.
- 6.5 There has been some concern over the ability to access the funding and so, as part of the wider review, a more detailed assessment of the methodology and timing of the process will be undertaken to ensure that for future years the voluntary and community sector have improved access to the funds. An internal audit of the process has been agreed and its findings will help to inform the review and any proposed changes.
- 6.6 The review will include further in depth analysis of the outcomes required, a full consultation with key stakeholders, and a timeline for the commissioning of the services from 2018 onwards. This may be via a full procurement process or may be other contributions to partners and stakeholders, dependent on the results of the review. It will also allow sufficient time to fully evaluate the council's financial

- position following further announcements about funding later in the year.
- 6.7 The member working group met on 27 April 2016 and discussed the allocation of the funding at that point and the use of the balance of funding available. They also discussed a number of other matters relating to the Hemmingwell community and skills centre, Shopmobility, The Victoria Centre and small grants. A summary of the discussions and the recommendations of the group are detailed below.
- Hemmingwell hub:
- 6.8 The situation regarding the lease of the Hemmingwell Community Centre was discussed. Hope Church had served notice to end their lease with the council which expired in mid May 2016. This means that the agreement of a grant to pay the rent of £15k per annum also comes to an end as it was specific to this lease and the agreement with the church.
- 6.9 Members have previously expressed a view that no further grants to pay for rentals owed to the borough council would be considered, following on from the last award to The Daylight Centre agreed in February 2016.
- 6.10 Two expressions of interest for the new lease were received to use the centre on a community/not for profit basis, both intending to continue community access. One from a newly formed charity led by Simon Trundle (separate to the previous Hope Church as Mr Trundle has now moved to the South Coast) and one from Goodwill Solutions, a community incorporated company who currently operate in Northampton but have already started to engage in Wellingborough. Mr Trundle's charity business model would have needed council funding for the payment of the rent. Goodwill has budgeted to pay the rent as part of their investment into the community.
- 6.11 Although the decision to negotiate and agree new commercial leases for investment property is under powers delegated to the Head of Resources, it was felt appropriate in this case to advise the working party of the situation. The working Party endorsed the decision to begin negotiations with Goodwill Solutions based on the outcome of the financial considerations plus a sustainable business model and a commitment to re-introduce training opportunities to boost the original 'skills centre' vision.
- 6.12 Whilst there may be some initial concerns in the local community, Goodwill have pledged to work with volunteers and continue – if not build upon – the community activity that takes place currently through the centre – including the newly established police hub.
- 6.13 A 'tenancy at will' as a forerunner to a full lease with Goodwill Solutions has been agreed to allow them to take on the centre with immediate effect and work with the current community volunteers and the police 'office' to keep the building available to the community.
- 6.14 There will be some intense transition work to be done over the next few weeks to make sure that collective responsibility of Goodwill and local volunteers are clear, and that the wider community has the opportunity to engage with the future running of the centre. Given the needs of the area, and the earlier work done in the area, Maria Thomas, Community Safety Officer, will spend some time facilitating the transition over the next few weeks.
- 6.15 Ward Councillors have been kept up to date with the changes above via email from Mrs Chapman.
- 6.16 £10,000 was allocated to a Hemmingwell hub but not let in the initial

procurement round. It was agreed that once a new tenant was managing the building, they would be invited to apply for the £10,000, assuming desired outcomes can be met. This has now been done and a completed proposal is expected to be received from Goodwill Solutions.

Shopmobility:

- 6.17 A case was put forward at the request of Shire Community Services who currently run an integrated community transport service covering the Wellibus, Shopmobility and the volunteer medical car service. In previous years they have received funding of £45,000 towards this, which included £20,000 of grant funding plus a specific payment of £25,000 to help the rent of the property. This year, the budget for this category was in total £25,000, in line with the non-rent element of previous funding. All organisations that had previously been awarded funding had been given notice that the funding was under review and may not be at the same levels as previously awarded.
- 6.18 Shire Community Services have said that they are unable to absorb this level of cut, meaning that they may have to move premises, putting the Shopmobility service at risk. This, they felt, was an unintended consequence of the funding allocations process and they asked members to consider a 'transition' payment to help with the shortfall. Shire has currently been offered £20,000 (out of the total of £25,000 allocated to this category) as they may not be able to meet the full service specification to cover both bus and Shopmobility services.
- 6.19 This was discussed in detail at the working group, as members had agreed previously in February 2016 that one off grants made under similar circumstances, whereby the organisations occupy one of the council's investment properties and rentals are due, would not be repeated. The working party members agreed to:
- (a) offer to work with Shire Community Services to look at longer term property considerations and potential premises that suited their needs
  - (b) make a recommendation to Resources Committee for a one-off transition payment of up to a maximum of £25,000, subject to need, based on the charity securing alternative funding or relocating to new premises as soon as possible during the financial year. This grant was to be recommended due to the unique nature of the request and the potential impact on service users.
- 6.20 To ensure consistency of approach in the future, as part of the internal audit review of voluntary and community funding one-off grants will be examined specifically to ensure that transparency and equality in awarding the funding can be demonstrated. It is likely that a policy outlining criteria for these awards is needed and officers will begin preparatory work on this as part of the review planned for later in the year.

Victoria Centre:

- 6.21 Whilst the Victoria Centre had successfully applied for part of the available budget for community hubs, the organisation felt it could offer more, and that the procurement system had been too restrictive. The working party reaffirmed that the preference is for one substantive contract for each theme, such as debt advice, but accepted that Victoria Centre may offer a value added service where people feel unable to access the major provider. It was agreed that:

- (a) There was an unallocated budget for debt and employment advice of £2,212 and The Victoria Centre be invited to apply for this assuming they could provide the outcomes to be achieved

Small community grants:

- 6.22 The small grants budget offers grants of up to £500 for community projects that contribute towards the council's aims and objectives. The current budget is £3691, to include up to £2,000 for children's summer sports schemes. The budget for 2016-17 is already almost spent with just under £300 remaining. The working party agreed to:
  - (a) Recommend to Resources Committee that the small community grants budget be increased by £3000 on the same award criteria as currently used

Unallocated budget:

- 6.23 It was proposed at the member working group that members look at advocacy for those in need as a potential extra category for funding, especially for people with learning or physical difficulties. It was suggested Teamwork run a good model. Members agreed that:
  - (a) Teamwork be asked about their service and information shared with working party members
  - (b) Once the theme has been reviewed by the working party Resources Committee be asked to consider adding such a theme to the voluntary sector funding outcomes and supporting it with a sum of between £2,000 and £5,000 of the unallocated budget for this year. This will be via a report to Resources Committee later in the year.
- 6.24 Once the funding has been allocated and agreed a press release will be issued publicising both the availability of the small community grants and the total extent of the council's funding for the voluntary sector, as well as promoting the availability of these services to those who may need to use them.

## **7 Legal powers**

- 7.1 Section 111 of The Local Government Act 1972 gives the Council power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.
- 7.2 Section 2 of the Local Government Act 2000 gives the Council the power (subject to certain exceptions which do not apply here) to do anything which they consider is likely to achieve the promotion or improvement of the economic, social or environmental well-being of the Borough.

## **8 Financial and value for money implications**

- 8.1 The allocated awards and outstanding budgetary position are outlined in Appendix 1.
- 8.2 In addition to this the total budget for small grants is currently £3,691.
- 8.3 Since 2012 the museum services funding has reduced year on year and is no longer required by The Winifred Wharton Trust.
- 8.4 The proposals outlined in Appendices 1 and 2 work within the total budgets

allocated for 2016-17 and there are no additional pressures on the revenue budget. However, it does commit these funding levels up to April 2018, and this therefore reduces the flexibility the council has to vary its spending in these areas over that period.

- 8.5 Appendix 1 proposes the use of £35,212 of the available budget. Interpersonal violence is an on-going contribution to a county wide initiative and this will continue in 2016-17. The procurement process used will ensure that the delivery of outcomes is monitored in line with expectations and value for money and transparency will therefore be maintained for the council, subject to the findings of the process review and the internal audit review planned for later in the year.

## 9 Risk analysis

<b>Nature of risk</b>	<b>Consequences if realised</b>	<b>Likelihood of occurrence</b>	<b>Control measures</b>
Future priority outcomes not met under grant arrangements	Services needed by local people not provided  Poor value for money	Medium	Review funding methodology and allocation criteria
Leading voluntary sector services cease if BCW funding is reduced.	Loss of service to local people  Reputational damage to Council	Medium	Liaison with sector and other funding providers
Level of funding becomes unaffordable but no flexibility to change prior to April 2018	Potential adverse revenue budget implications	Medium	A planned and controlled MTFP is in place

## 10 Implications for resources

This work will be achieved using existing resources of the council.

## 11 Implications for stronger and safer communities

Supporting organisations through longer term funding agreements enables future planning and development in becoming self-sustaining. The services delivered through this funding help to promote community cohesion, reduce crime and repeat victimisation and build a stronger sense of community.

## 12 Implications for equalities

All procurement will adhere to the council's equality duty. As part of the ongoing review equality impact assessments will be undertaken as necessary.

**13 Author and contact officer**

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**14 Consultees**

Bridget Lawrence Head of Resources  
Julie Thomas Head of Planning and Local development  
John Campbell Chief Executive  
Gill Chapman Principal Community Support Manager

**15 Background papers**

Reports to Resources February 2012, June 2014 and February 2016  
Working Group notes  
Procurement Regulations





## Appendix 1 : Summary position on Grant Funding allocations and Budget

Organisation	Annual Payment
NVCAB (Debt)	23,717.00
NVCAB (Employment)	19,071.00
Shire Community Services (Transport)	20,000.00
NVCA	20,000.00
NREC	15,000.00
Victoria Centre	11,000.00
WACA	9,000.00
Glamis Hall for All	10,000.00
Unallocated H/well	10,000.00
<b>Community Funding allocations</b>	<b>137,788.00</b>
Interpersonal Violence Strategy	22,106.00
Refuge Underwrite	4500
<b>Total Used to date</b>	<b>164,394.00</b>
<b>Budget</b>	<b>209,106.00</b>
<b>Balance to be allocated</b>	<b>44,712.00</b>
Allocations proposed:	
Additional categories for Victoria Centre	2,212.00
Increase Small Grants Pot	3,000.00
Shopmobility transition funding	25,000.00
Advocacy theme	5,000.00
<b>Available budgets left:</b>	<b>9,500.00</b>

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