

# APPENDIX D

## WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 2 OCTOBER 2012

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**Title:**

**WAVERLEY COMMUNITY PARTNERSHIP AND WAVERLEY VOLUNTARY GRANTS  
PARTNERSHIP 2013/14 FUNDING ROUND**

**[Portfolio Holder: Cllr Brian Adams]  
[Wards Affected: All]**

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**Summary and purpose:**

The purpose of this report is to seek the Executive's approval to continue to support the Waverley Community Partnership scheme and the Waverley Voluntary Grants Partnership in 2013/14. It also seeks approval for discussions with a number of organisations currently funded through the Waverley Partnership to continue around a potential move to Service Level Agreements.

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**How this report relates to the Council's Corporate Priorities:**

The Waverley Community Partnership (WCP) awards funds to organisations that provide high priority services for the benefit of Waverley residents, in partnership with the Council. The services that the partner organisations deliver cut across all corporate objectives and could fall in any of the 5 priority areas. Waverley's contribution to the Waverley Voluntary Grants Partnership (WVGP) also helps support organisations specifically in the well-being and social welfare area.

**Equality and Diversity Implications:**

The organisations that Waverley supports under the Waverley Community Partnership provide access to key services in the borough, which benefit a wide range of users including the most vulnerable and disadvantaged. Waverley's Partnership Agreements with the voluntary and community sector have specific clauses promoting equality and diversity issues.

**Environment and Climate Change Implications:**

There are no direct environmental or climate change implications arising specifically from this report.

**Resource/Value for Money Implications:**

In the previous three years, the total Waverley funding awarded was as follows:

Year	Number of organisations supported	Total funding awarded (£)	Scheme
2010/11	27	638,926	Waverley Community Partnership
	33	54,000	Waverley Voluntary Grants Partnership
	1	100,000	Hoppa Community Transport
	1	30,000	WRVS Meals on Wheels
<b>Total</b>	<b>62</b>	<b>822,926</b>	
2011/12	25	594,420	Waverley Community Partnership
		1,710	Emergency funding provision
	29	48,600	Waverley Voluntary Grants Partnership
	1	100,000	Hoppa Community Transport
	1	30,000	WRVS Meals on Wheels
<b>Total</b>	<b>56</b>	<b>744,730</b>	
2012/13	26	350,100	Waverley Community Partnership
	20	42,770	Waverley Voluntary Grants Partnership
	3	327,530	SLA pilot scheme organisations
	1	30,000	WRVS Meals on Wheels
<b>Total</b>	<b>50</b>	<b>750,400</b>	

The organisations receiving grants from the Waverley Community Partnership are detailed in [Annexe 1](#).

The Council is hugely supportive of the voluntary organisations in the borough and was pleased to maintain spending on grants in 2012/13 at a similar level as the previous year, despite facing major pressures on its budget. Within this, support for organisations varied, and 6 organisations were brought into the scheme.

In August 2012, all existing partners were informed that the Council is facing major changes to its Government funding, with the introduction of a brand new scheme for revenue support grant and business rate funding. With the Council expecting reductions of around £650,000, organisations were asked to estimate a grant reduction of up to 10% as they do their financial planning for 2013/14. The Council made a specific commitment in its new Corporate Plan to protect voluntary sector grants budgets so the total funding available to community groups is not reduced by more than the amount of reduction in Waverley's budget overall. As the overall grants pot may be reduced by up to 10%, the support for organisations may vary.

The proposed application timetable for the scheme will enable the Waverley Community Partnership applications to be considered as part of the budget process.

### **Legal Implications:**

Having a robust grant scheme that is reviewed annually ensures that the council is not open to dispute under the Surrey Compact Funding Code 2009.

## **Background**

1. The principal aim of the Waverley Community Partnership (WCP) is to provide financial support for voluntary and charitable organisations that deliver high priority services for the benefit of Waverley residents in partnership with the Council.
2. The scheme is reviewed annually by the Portfolio Holder for Grants, supported by officers, to ensure that the grant criteria and assessment process continue to meet the priorities of the Council and is fair and transparent. For the next funding round, no major changes have been proposed. A copy of the draft application form and draft scheme criteria is attached in Annexe 2.

## **Existing funding levels and new organisations**

3. A letter was sent to existing partner organisations in August, which provided them with the earliest possible notice of a potential budget reduction for 2013/14. Organisations were informed at that time that it would be extremely difficult for the Council to maintain current grant levels for 2013/14 and that they should assume a 10% reduction in their grant as they do their financial planning for 2013/14.
4. In recent years, with limited resources and the Council's desire not to cut funding levels to existing organisations, there has been limited scope to introduce funding for new organisations. Despite this, in 2012/13 6 new organisations were awarded funding. 2 organisations were also taken out of the scheme and are now funded through direct budgets. The only way to create 'headroom' to give a realistic chance of success for new applications is to reduce or stop the funding of existing organisations, either by a blanket percentage reduction or by a reassessment of the extent to which the organisation meets Waverley's grants criteria. With a potential overall reduction in the grants pot this year, the scheme will be challenging. A robust assessment process may create an opportunity to fund new organisations again that provide priority services to the community.
5. The financial status, including the extent of external funding support, efficiency savings, and business plans of applicants will be closely examined to ensure the Council is satisfied with the applicants' efficient, prudent and effective service delivery.

## **Service Level Agreements**

6. Following the work of a Member Special Interest Group (SIG) in 2011, the Executive agreed to invite 3 organisations, Waverley Hoppa Community Transport, Farnham Maltings and Citizens Advice Waverley, to negotiate Service Level Agreements (SLAs) for 2012-2015 as a pilot scheme for this new way of working. The organisations signed SLAs in April 2012 and regular monitoring meetings are being held. The process is working well: it has improved relationships between the Council and partners, identified partnership working opportunities to help deliver services and enabled issues to be resolved.

7. At its meeting on 4 October 2011, the Executive asked for the success of the pilot SLAs to be monitored and their impact reviewed before rolling out the approach to other funded organisations. Officers will be reporting to the Executive in November 2012, which will allow for the 6 month performance data (1 April 2012 to 30 September 2012) for each organisation to be reported. Along side this, initial discussions have been held with organisations receiving larger grants to seek their views on the principle of moving to a SLA arrangement or whether they would prefer to stay within the grant scheme.
8. As the above report will not be considered until the Executive meeting in November, the organisations that may potentially be supported through a SLA arrangement will be asked to apply to the Waverley Community Partnership grant scheme in the normal way in order that they can meet the application deadlines of the funding scheme.
9. WRVS Food Service Ltd is funded through a Service Level Agreement to provide a Meals on Wheels Service. Waverley's net contribution of £30,000 is matched by Surrey County Council. An Agreement has been in place since 2007 and the service is funded through direct budgets rather than through the grant scheme.

### **2013/14 timetable**

10. It is proposed that organisations are invited to apply for revenue funding for the financial year 2013/14 with a closing date for applications of Friday 13 November 2012. The key dates are detailed below:

5 October 2012	2013/14 application round opens
13 November 2012	Application deadline
14 November 2012 to early December 2012	Processing and assessment of applications
28 January 2013	Community O&S Committee to comment on proposed grants
5 February 2013	Executive
19 February 2013	Council
20 February 2013	Grant award letters sent to applicants

### **Application process and criteria**

11. The existing process was reviewed against the principles of the Surrey Compact, to which the Council is committed. The Compact encourages funders to make it easier for voluntary organisations to seek funding, to improve the process for funding and evaluation is appropriate and proportionate.
12. It is suggested that the eligibility criteria for organisations wishing to be considered for funding be retained. In particular, Members are asked to note that:

- Levels of reserves/funds will be scrutinised as part of each applicant's financial assessment. The council recognises that it is prudent for organisations to have reserves/funds and acknowledges good financial management, therefore, organisations with general reserves/funds (excluding any designated funds) should be considered on a case-by-case basis. In considering the adequacy of each organisation's level of reserves, Waverley officers will consider the Charity Commission's current recommendations and advice.
- As the organisations applying to the scheme are diverse and offer a varying range of services, a scoring system to assess applications is not appropriate. When assessing applications an overall judgement will be made on whether to award a grant, based on information supplied in the application form, the organisation's performance against its Partnership Agreement (existing partners), the information in the applicant's accounts and the degree of priority awarded to the service that the organisation provides. Relevant link officers will provide supporting summary information on applications to the grants panel and respond to any questions that may arise. The overall budget of the scheme is limited and requests for funding usually exceed the budget. The panel will make a judgement on applications and make recommendations on grant awards within the overall budget.
- The application form for current partners has been reduced to simplify the process and that the Council has been funding them for many years so officers have a good knowledge of their work. 'New' applicants will be asked to complete a more in depth application form.
- Officers will continue to reject applications which clearly do not meet the eligibility criteria, thereby providing organisations with clarity at an early stage.
- Where an organisation has a nominated Member representative they will be invited to comment in general on the work of the organisation.

### **Assessment process**

13. Applications will be assessed within the overall budget of the scheme by a grants panel. When making a judgement on grant levels the panel will take into account a number of factors including: summary information provided by officers, information from the organisation's application form, information from the applicant's accounts, the extent to which the Corporate Plan objectives will be met, value for money, the extent to which Partnership Agreement objectives have been met, general performance and other sources of funding. How the partner organisations deliver their promises and provide services will also be assessed to ensure they continue to provide high standard, value for money services from the funds that the Council invests.
14. The findings of the budget consultation exercise in the autumn 2009 will be taken into account when prioritising applications.
15. Link officers will provide an initial assessment of the application. The financial position of organisations will be scrutinised by officers. Summary information

on each application will be provided to a grants panel chaired by the Portfolio Holder for Grants, supported by 2 Councillors and officers from the Community Services team. The grants panel will meet before suggested grant levels are prepared and reported to Community Overview and Scrutiny Committee in January. The Executive will consider the allocations and observations of the Overview and Scrutiny Committee and recommend grant levels for each organisation to Council in February 2013.

### **Partnership Agreements**

16. Once a revenue grant is approved and a grant offer made, each organisation and the relevant Waverley service officer, who forms the key link officer during the funding period, prepare a Partnership Agreement. The Partnership Agreement details the key outputs and outcomes for the year, although, it is proposed that this may not be necessary for the organisations receiving smaller grants. For 2013/14 it is proposed that the performance of organisations should be more closely monitored as, with the Council's reducing budgets, this information will help inform future decisions on Waverley's financial support for organisations.

### **Voluntary Grants Partnership**

17. The WVGP is open to voluntary and community organisations providing well-being or social welfare projects in Waverley. A similar partnership arrangement operates for Guildford, but these are the only examples of this type of funding arrangement in Surrey.
18. Now that NHS Surrey is not part of the scheme, the panel, with the support of Voluntary Action South West Surrey, is negotiating with the new Clinical Commissioning Groups (CCGs) to encourage them to become a partner of the scheme and contribute to the funding pot. The CCGs have been invited to all meetings with partners around the scheme so they can see it in operation. The CCGs have not yet made a decision on whether to join the scheme.
19. Waverley has made a public commitment to continue its support for the WVGP for 2013/14, on the same basis as is proposed for the Waverley Community Partnership, ie Waverley's contribution could be reduced by 10% compared to 2012/13. It is proposed that the revenue contribution towards the administration of the WVGP should remain the same as last year. Waverley's contribution to the funding pot will be matched by Surrey County Council Adult Services. With reducing budgets and the uncertainty around the CCGs participation, the future of the scheme is questionable. The number of applications to the scheme remains high with 43 applications in 2012/13 requesting a total of £359,842. It was only possible to award grants to 20 organisations totalling £85,611. Officers will be reporting to the Executive in 2013 with recommendations regarding the future of the scheme.

### **Conclusion**

20. The Waverley Community Partnership continues to provide vital revenue funding to voluntary and community organisations which is often difficult to secure from funders who tend to prefer to support one-off projects. To

support organisations, the Council held a 'Funding Your Future Workshop' in July 2012 for funded partners, run in partnership with the Directory of Social Change. The event focussed on the various sources of funding available to voluntary organisations including legacies, corporate donors and earned income and how organisations can maximise their fundraising. The Council places great value on the work of the organisations that it supports through its grant schemes. Organisations and volunteers continue to work hard to deliver outcomes for the community in line with Waverley's corporate priorities. The scheme is highly regarded by organisations and requests for funding exceed the grants budget each year. Many of the funded organisations provide vital services to the most vulnerable members of the community. Waverley's grant also levers in funding through the work of its partner organisations and the other grants that they secure, representing good value for money.

### **Recommendation**

It is recommended that

1. for budget planning purposes, the total amount of the Waverley Community Partnership grants pot be reduced by 10% and the contribution to the Waverley Voluntary Grants Partnership pot be reduced by 10% ;
2. the overall funding process be agreed, as detailed within the report; and
3. discussions should continue with the organisations receiving larger grants around the possibility of moving to a Service Level Agreement, with recommendations on the way forward being reported to the Executive in November 2012.

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### **Background Papers**

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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