

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 3 FEBRUARY 2015

Title:

FUNDING FOR VOLUNTARY SECTOR ORGANISATIONS 2015/16

[Portfolio Holder: Cllr Stefan Reynolds]

[Wards Affected: All]

Summary and purpose:

The purpose of this report is to consider the applications to the Waverley Community Partnership for revenue funding in 2015/16, taking into account the observations made by the Community O&S Grants Sub-Committee and Committee on the proposed grant levels.

The report proposes to continue to protect the Council's overall level of discretionary spending on grants at £744,530 to the voluntary sector, despite significant reductions in Waverley's Government funding. At the same time, the proposal is to increase the overall amount the Council provides for services that support older people.

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

The Waverley Community Partnership awards funding towards the running costs of organisations that provide high priority services for the benefit of Waverley residents, in partnership with the Council. The services that the partner organisations deliver across all corporate objectives and could fall in any of the 5 priority areas. In addition the Council made a specific commitment in the Corporate Plan to work with voluntary groups to meet the needs of residents. Waverley's contribution to the Waverley Voluntary Partnership also helps support organisations to deliver wellbeing activities.

Financial Implications:

The Council's overall financial package to the voluntary sector is £744,530 showing the Council's continued commitment to its partnerships with voluntary organisations. This overall budget has been maintained over the past four years, despite the Council's significant reductions in its government grant. As a proportion of the Council's overall net budget spend, the level of financial support has increased.

Summary of grant and SLA funding proposed in 2015/16

	2015/16	2014/15
Waverley Community Partnership (grants)	£158,650	£328,820
Waverley Voluntary Partnership (grants)	£42,770	£42,770
Service Level Agreements	£523,690	£327,530
Reserved Funds/Emergency Funding Provision	£19,420	£45,410
Total proposed funding to the Voluntary Sector	£744,530	£744,530

In addition to the above funding, the Council supports these and additional organisations in many other ways including assistance with accessing other sources of funding, one-off capital investment, discretionary rate relief and rent relief.

Waverley Community Partnership

At its meeting on 30 September 2014, the Executive agreed to open the 2015/16 funding round of the Waverley Community Partnership to coincide with the budget setting process. In the current year, 2014/15, the Council maintained its overall financial package for the voluntary sector and the total funding for the Waverley Community Partnership was £328,819.

The Council will receive a further 30% reduction in its grant from the Government for 2015/16 and will need to identify cost savings to balance its budget. However, Members recognise the vital services delivered in partnership with the voluntary sector and are mindful of the potential impact that any cut would have on our voluntary organisations. Members are also keen to ensure services that support Waverley's growing older population and more vulnerable residents are prioritised. It is currently proposed in the draft budget 2015/16 that the overall funding budget for voluntary organisations be maintained at the same level as the current year. Within this, the budgets for the Waverley Community Partnership, Voluntary Grants Partnership and Service Level Agreements will vary.

This clearly demonstrates Waverley's continued commitment to the voluntary sector despite the Council having to make its own budget reductions. Final grants will be approved by the Council on 17 February 2015.

Waverley Voluntary Partnership (WVP)

Despite further significant reductions in Government funding, it is proposed that the total amount of money that Waverley contributes to the Waverley Voluntary Partnership (WVP) should remain at the same level for 2015/16 at £42,770. Given this, Surrey County Council has also agreed to maintain its contribution at the same level as the current year.

Service Level Agreements (SLA)

The Council financially supports a number of other voluntary sector organisations to deliver high priority services. In 2012/13, as part of a nominated pilot project three organisations signed up to three year Service Level Agreements from 1 April 2012. The total annual funding to these organisations is currently £327,530, with Citizens Advice Waverley receiving £195,040, Farnham Maltings receiving £32,490 for the outreach service and Waverley Hoppa Community Transport receiving £100,000. Farnham Maltings also has an SLA for the management of Farnham Museum with an estimated total value of support of £78,000. The RVS is also funded through an annual Service Level Agreement for the meals on Wheels service in partnership with Surrey County Council. Waverley's contribution of £30,000 is matched by the County Council to provide a service to residents in the borough.

At its meeting on 30 September 2014, the Executive approved discussions to draw up new SLAs for the next three years from 1 April 2015 to 31 March 2018 with the three organisations. In addition the Executive agreed to move four other organisations out of the Waverley Community Partnership process on to three year SLAs from 1 April 2015. This means their combined current funding of £160,250 will be transferred out of the Waverley Community Partnership overall pot for 2015/16. It is also proposed to increase the overall SLA funding to voluntary sector organisations for the next three years, 2015 to 2018, by 6.7%. A reserve of £19,420 has been established to invest in any further opportunities to meet community needs and to enable the SLA organisations to deliver even better outcomes where a clear case can be made.

The SLAs enable key voluntary sector organisations to continue to work in partnership the Council to deliver and develop vital services for the most vulnerable residents and older people. The Council will be working to increase the number of organisations funded through SLAs in future years. Annexe 1 details the proposed allocations to these organisations.

Emergency Funding Provision

In 2013/14 the Council established an emergency funding provision for unexpected or urgent requests for support to current and new partner organisations. The remaining balance of £40,410 for 2014/15 would again support any unexpected or urgent requests for support throughout the year. It may also be used to support the delivery of identified activities for older and more vulnerable people in partnership with organisations.

Legal Implications:

Having a robust grant scheme that is reviewed annually ensures that the Council is not open to challenge under the Surrey Compact Funding Code 2009, which is consistent with funding bodies' duty to achieve value for money, principles in accounting and European Union procurement law.

Introduction

1. The principal aim of the Waverley Community Partnership is to provide financial support for not-for-profit organisations that deliver high priority services for the benefit of Waverley residents in partnership with the Council.

Applications

2. A total of 25 applications to the Waverley Community Partnership have been received with two new applications. The total level of funding requested by organisations for 2015/16 was £238,650 and Annexe 2 details all the applications received and proposed allocations.

The Waverley Community Partnership Assessment Process

3. Each grant application has been reviewed by the relevant 'link officer' within each service area. In addition, a financial assessment of each organisation's annual accounts has been undertaken to identify any changes/concerns in the financial position of partner organisations. Where appropriate, Member Representatives for organisations were invited to comment in general on their work. Members are encouraged to read the application documentation from each organisation and the summary information that was provided to the Grants Panel. Members should contact the Community Partnerships Officer for copies of the documents. Should Members require further information on each organisation they are advised to contact the appropriate link officer.
4. A Grants Panel, chaired by the Portfolio Holder for Grants, made recommendations on funding levels. The Chairman was supported by the Portfolio Holder for Partnerships and the Portfolio Holder for Leisure & Culture and officers from Finance and Communities. The Panel made proposals on levels of funding ahead of the Overview and Scrutiny Committee consideration.
5. Annexe 2 shows notes on the reasons for the proposed grant levels for some organisations where this is considered to be particularly relevant. Information on other discretionary financial support that the Council provides to partner organisations is detailed in Annexe 3.
6. Requests for funding exceeded the overall budget by £80,000 which meant the Grants Panel had to make very difficult decisions this year. The Panel's proposed allocations reflect the good performance and clear outcomes being delivered by organisations to our most vulnerable residents, including older people. This includes increases in funding for Rowleys Centre for the Community and Brightwells Gostrey Centre to support older people. Overall, the Panel proposed to increase the Waverley Community Partnership grants to 4 organisations and maintain grants for 11 organisations. Two new applications were received and one of these was recommended for a grant.

Age UK Waverley - Rowleys Centre for the Community

7. The proposed funding for Rowleys set out in this report has increased from £47,500 to £55,000. This represents a funding increase of 16% compared to last year. It is proposed that the funding for Rowleys is ring-fenced to support its running costs and specified that it should be held in restricted funds within the Age UK Waverley financial accounts. The increase recognises the excellent work that this centre does for older people in Cranleigh and will help guarantee the long-term future of this valued service. Given the positive track record being achieved, work will take place with Rowleys over the coming year to prepare them for a move to a Service Level Agreement in 2016/17, which will help strengthen their ability to meet the needs of older people in their community and provide additional certainty over future years funding levels.

Age UK Waverley – Information and Advice Service

8. Given that Waverley has a number of established information and advice providers already supporting older people, the Grants Panel proposed not to award funding to AGE UK Waverley towards the Information and Advice service due to continuing concerns about not operating a borough-wide service and not providing value for money compared to other Information and Advice providers in Waverley. Both Citizens Advice Waverley (sometimes referred to as CAB) and Age UK Surrey are already funded to deliver high quality, accredited information and advice services and are in a position to continue to extend their offer to more older residents borough-wide. It also recognises that Citizens Advice Waverley, unlike Age UK Waverley, is approved to give financial debt advice through the Financial Conduct Authority. [Note: Citizens Advice Waverley is funded by Waverley Borough Council and Age UK Surrey is funded by Surrey County Council.]
9. During 2013 and 2014 Age UK Waverley, operating from the Gate House in Cranleigh, worked with the Council and Citizens Advice Waverley to support a successful Big Lottery bid, securing a £250,000 grant. One of the key aims of the bid was for Age UK Waverley and Citizens Advice Waverley to work in collaboration and to physically co-locate to improve service outcomes for residents and reduce costs. However, Age UK Waverley has now withdrawn from the discussions to co-locate with Citizens Advice Waverley and the nature of their future participation is now unclear. Age UK Waverley's decision has inevitably put some of the £250,000 grant at risk.

Age UK Waverley – Gardening and Handyman Services

10. Age UK Waverley also delivers a gardening brokerage service which is currently funded through a number of sources including the Waverley Voluntary Grants Panel, to which the Council contributes. The Age UK Waverley Handyman Service is principally funded by Surrey County Council. The allocation of funding for 2015/16 for these sources is still to be determined.

Community Overview and Scrutiny Grants Sub-Committee

11. A Sub-Committee was established in November 2011 to review application documentation and scrutinise the Grants Panel's initial allocations. At its meeting on 18 November 2014 the Community O&S agreed to establish the Sub-Committee again this year to consider the initial allocations in more detail before bringing observations back to this Committee at its next meeting in January 2015. The Sub-Committee met on 17 December 2014 and the minutes of the meeting are attached at [Annexe 4](#).

Service Level Agreements

12. Following the work of a Member Special Interest Group (SIG) in 2011, the Executive agreed to invite three organisations to negotiate SLAs for 2012-15 as a pilot scheme for this new way of working. The organisations (Farnham Maltings outreach, Citizens Advice Waverley and Hoppa) signed SLAs in April

2012 and regular monitoring meetings are held. 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.

13. Officers have concluded that the SLA pilot is a success with a much closer alignment of activities with agreed priorities, more effective partnership working and the delivery of better outcomes for local communities. Outcomes have been monitored and reported to Committee. At its meeting on 30 September 2014 the Executive approved discussions with the three existing SLA organisations to draw up new SLAs from 1 April 2014 to 31 March 2018. The Executive also approved discussions to take place with four other organisations, namely The Orchard Club, The Clockhouse, Farncombe Day Centre and Cranleigh Arts Centre in order to move them out of the grants pot and on to three year SLAs from 1 April 2015.
14. The Council recognises the valued, key services delivered by the 7 SLA organisations. The SLAs enable the Council to target its funding to support priority services. In recognition of the outcomes these organisations deliver, it is recommended to increase the overall funding for these organisations, which will enable them to strengthen their support the most vulnerable residents, particularly older people.
15. Negotiations are ongoing with the 7 SLA organisations to finalise their SLA Agreement documentation and the monitoring data required by the Council. The seven draft SLA documents will be reported to the Executive as part of a separate SLA Report once the negotiations with the organisations have concluded.

Conclusion

16. Despite year on year reductions in Government funding, the Members of the Grants Panel felt that it was important to maintain the overall financial package to the voluntary sector next year while at the same time, recognising the best performing services. The proposal is to continue to maintain the overall financial support to the voluntary sector at £3/4 million for the fourth year running which enables the Council to work with voluntary organisations to deliver vital services to residents, particularly older people. This clearly demonstrates the value and continued commitment to those organisations working on the Council's behalf to deliver high quality services that meet local need.
17. Both the Member Grants Panel and Community O&S Committee have had to make difficult decisions this year as requests for financial support increases. Both have recognised the need to prioritise funding on those activities that best meet local need and recognise those organisations that have achieved good levels of performance.

18. The final approval of funding levels will not be made until the Council meeting in February 2015, four months after organisations have submitted their applications. To assist organisations with their financial planning and in the spirit of the Surrey Compact Funding Code 2009, a letter has now been sent to all applicants informing them of their initial draft grant allocations. The letter has made it clear to organisations that the proposed draft allocations are subject to Member scrutiny and final approval by the Council on 17 February 2015.

Community Overview and Scrutiny Committee

19. At its meeting on 27 January 2015, the Community Overview and Scrutiny Committee considered the applications for funding and the proposed allocations to organisations. The comments from the Committee will be circulated separately – To Follow.

Recommendation

It is recommended that the Executive

1. confirms the overall funding to the voluntary sector at £744,530 for 2015/16;
 2. considers the applications for Waverley Community Partnership funding in 2015/16, having regard to the comments of the Community Overview and Scrutiny Committee and Grants Sub-Committee;
 3. recommends grant levels for each organisation, as detailed in Annexe 2 to the report, to the Council for approval;
 4. recommends that the increased total funding of £55,000 for Rowleys is ring-fenced to support its running costs and that the full grant be held in restricted funds within the Age UK Waverley financial accounts for Rowleys;
 5. recommends the remaining balance of the 2014/15 Emergency Funding Provision is carried over to 2015/16 to support any unexpected or urgent requests for support throughout the year;
 6. agrees the proposed funding allocations to the seven SLA organisations and, subject to concluding negotiations with them, agrees that the Director of Finance, in consultation with the Leader, Deputy Leader and Portfolio Holder for Grants be authorised to agree the final allocations and content of the SLA documents; and
 7. recommends a reserve fund of £19,420 be established to invest in any further opportunities to meet community needs and to enable the SLA organisations to deliver further improvements in outcomes where a clear case can be made.
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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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