

WAVERLEY BOROUGH COUNCIL

EXECUTIVE COMMITTEE

5 OCTOBER 2021

New funding process for voluntary organisations 2022 to 2025 - Thriving Communities Commissioning Fund

Portfolio Holder: Cllr Kika Mirylees, Portfolio Holder for Health, Wellbeing and Culture

Head of Service: Andrew Smith, Head of Housing Delivery and Communities

Key decision: Yes

Access: Open

1. Purpose and summary

- 1.1 This report sets out the proposed Thriving Communities Commissioning Fund process and documentation to operate the scheme. The scheme will replace the current Service Level Agreement scheme.

2. Recommendation

- 2.1 It is recommended that the Executive, after considering comments from the Community Wellbeing Overview & Scrutiny Committee:

1. Agrees to launch the Thriving Communities Commissioning scheme as set out in the report.

3. Reason for the recommendation

To ensure that the Council's funding mechanism and approach to not-for-profit organisations meets the Council's corporate priorities, evidence-based community needs and takes into account the views of the Community Wellbeing Overview and Scrutiny Committee and Overview & Scrutiny Service Level Agreement Working Group.

4. Background

- 4.1 At its meeting on 22 June, the Executive considered the interim report of the Community Wellbeing Overview and Scrutiny Community Service Level Agreement Working Group. Since then, officers have worked with a small Executive Working Group, comprising of the Leader and Portfolio Holder for Health, Wellbeing and

Culture to develop a new funding scheme, taking into account the recommendations of the Service Level Agreement Working Group.

- 4.2 The Executive noted the Overview & Scrutiny Committee's concern that existing Service Level Agreement partners should receive six months' notice of any change to their arrangement. Although this is not a statutory requirement, all organisations were written to in mid-June. They were advised to prepare for possible future changes and that officers may be required to develop a new funding process. Organisations are understandably concerned, but they appreciate the reasons behind the need to develop a new process.

Executive Working Group

- 4.3 The Executive Working Group felt it important to seek local knowledge about community need when shaping a new funding scheme. All town and parish council clerks received a short email questionnaire asking them to:

- rank possible identified funding principles and priorities
- note any missing principles and priorities about the type of voluntary sector services needed in their area

- 4.4 Seven responses were received, and the top-ranking priorities, in order of priority were (1) older people, (2) loneliness and social isolation, (joint 3) transport and information & advice and (4) carers.

- 4.5 The Executive Working Group agreed certain overall criteria for the scheme, that officers should draw up:

- It should be a commissioning scheme which organisations apply to online
- An assessment panel will review applications and score them according to a set of criteria, in order to allocate individual levels of funding
- The funding to organisations should be for 3 years
- The scheme should be available to local not-for-profit organisations for local people
- The priorities and principles identified by the O&S working group should be reflected within the process, as well as feedback from the town and parish councils.
- The process should not separate population types.
- The priorities should be broad to enable more organisations to apply.
- Arts organisations should be able to apply.
- The application documentation should not separate the overall budget into categories for the organisations to apply to but when assessing applications, a budget should be ring-fenced for youth provision.

- 4.6 The overall Thriving Communities Commissioning Fund priorities agreed were:

Priority one - Improving people's health & wellbeing

Priority two - Enabling access to information, advice and guidance

Priority three - Reducing social isolation and loneliness

Priority four - Building stronger, connected communities

- 4.7 Annexe 1 shows the Commissioning Market Position Document that all organisations will utilise when applying to the scheme, which is underpinned by an application form, application guidance and assessment criteria. The scheme will support the operating or running costs to deliver an activity or service for people who have higher needs, or who are vulnerable or who are disadvantaged.
- 4.8 It is proposed that the commissioning scheme is open to applicants for 5 weeks and it will be publicised through existing channels and networks. Organisations will apply through the SE Shared Services procurement portal.

Assessment Process

- 4.9 Applications will be assessed by a panel using a scoring method. This mitigates the risk of challenge to decisions, bias and is more transparent. The commissioning assessment document sets out the scoring method and be part of the application documentation for applicants. The details of individual levels of funding will not be considered through the Committee process, although the overall budget for the scheme will form part of the budget papers in early 2022.
- 4.10 The assessment panel members will be:
- The Portfolio Holder for Health, Wellbeing and Culture
 - A member of the Community Wellbeing Overview and Scrutiny Committee
 - The Community Services Manager
 - The Financial Services Manager
 - An independent Officer – likely to be the Strategic Lead Partnerships, Policy and Commissioning for Surrey County Council

Scheme timetable

- 4.11 15 September - Overview and Scrutiny Committee, Community Wellbeing
5 October – Executive
14 October - Funding round opens
18 November at 4pm - funding round closes
19 November to 3 December – processing of applications and assessment process
Early December – organisations informed of their indicative levels of funding and unsuccessful applicants informed
- 4.12 The overall budget for the scheme will be finalised within the Council's budget setting papers in February 2022. Organisations will receive confirmation of levels of funding following full Council on 22 February 2022. Funding Agreements will then be drawn up by officers setting out the terms and conditions including the required monitoring information.

5. Relationship to the Corporate Strategy and Service Plan

- 5.1 A key objective of the recommendations is to ensure that the Council's funding mechanism to not-for-organisations is aligned with its corporate priorities.

6. Implications of decision

- 6.1 **Resource (Finance, procurement, staffing, IT)**

The current Service Level Agreement budget for funding voluntary sector partners is £687,105 for the current year 1 April 2021 to 31 March 2022. Any reduction in the overall budget could have an adverse impact on the Council's ability to support identified future priority services for vulnerable people and people with higher needs. Funding these types of services is discretionary, however the Council places great value in its partnership with the voluntary sector and their ability to provide vital, high-quality support to residents. Working through voluntary organisations to deliver services offers greater value for money than running these types of services in-house if the Council chooses to.

Any proposed budget for the Thriving Communities Commissioning Fund is subject to the Council's budget setting process which will be completed at full Council in February 2022. To enable organisations to plan, provisional funding awards will be made in early December, with final allocations confirmed after full Council in February 2022, after which Funding Agreements will be drawn up. The assessment panel will allocate provisional funding based on the budget remaining the same at £687,105. It is proposed that successful organisations to be funded for a three-year period, 1 April 2022 to 31 March 2025. This means they will be able to budget and plan and that the funded activities and services will become embedded into the community. However, all Funding Agreements will include a clause that the overall budget needs to be agreed every year as part of the Council's budget setting process in January/February time and is therefore subject to review.

6.2 **Risk management**

Although existing funded partner organisations will be eligible to apply to the Thriving Communities Commissioning Scheme, changing the approach through which funding is allocated may have adverse financial implications for them. Given that some of them are reliant on Council funding towards their running costs, this may impact their ultimate viability.

6.3 **Legal**

Successful organisations will be required to sign a Funding Agreement setting out the principles of the arrangements, the outputs, outcomes and monitoring information required. Should organisations not deliver to the funding requirements, the Council reserves the right to withdraw any funding.

6.4 **Equality, diversity and inclusion**

An Equality impact assessment has been carried out to ensure the Council is fulfilling its Public Sector Equality Duty under the Equality Act 2010.

6.5 **Climate emergency declaration**

Consideration of the Council's environmental and sustainability objectives will need to be made when making decisions on levels of funding.

7. **Consultation and engagement**

7.1 The Community Wellbeing Overview & Scrutiny Committee scrutinised the proposals for the Thriving Communities Commissioning Scheme at their meeting on

15 September, following the work of the Community Wellbeing Overview & Scrutiny SLA Working Group and Executive Working Group. The Committee resolved:

- That Councillor Jenny Else be nominated as a representative to sit on the assessment panel and review applications.
- The Committee recommends that the Executive does not implement the proposal to ring fence funds for youth provision referred to in paragraph 4.5 of the report. The Committee members would prefer instead to see the principle also outlined in paragraph 4.5 that “the process should not separate population types” applied consistently. A paragraph would be added stating that the council sought to support minorities and other vulnerable groups.
- In addition to the recommendations above, the Committee ask the Executive to note the following comments:
 - i. That the Committee supports the broad principles and design of the proposed new funding arrangements for the voluntary sector. They thanked officers for the substantial work which had gone into producing them.
 - ii. Most, but not all, Committee members felt that paragraph 6.3 of the report gives an unduly harsh impression of how the Council would deal with concerns about whether an organisation is complying with its funding requirements. They felt it would be valuable to make clear that the Council would make constructive steps to address any unmet requirements before withdrawing funding.
 - iii. The Committee felt that the discussion of population data for Waverley would be strengthened by also considering:
 - a) The diversity of the Borough in terms of ethnicity, religion and refugee status; and
 - b) The distinction between people in different stages of dementia, as early-stage dementia places a disproportionate burden on community organisations relative to latter stages, when in general statutory health and social care agencies take on a larger role.
 - iv. The Committee notes that whilst the Community Meals Service no longer receives Council funding, in many cases their ability to provide meals is dependent on access to kitchens in buildings run by organisations which do. These synergies should be accounted for in the assessment of applications. In addition, contingencies should be made for the eventuality that the service can no longer use these kitchens.

7.2 Town and Parish Councils were given the opportunity to feed into the process although responses were low.

7.2 Although this is not a statutory requirement, all organisations were written to in mid-June. They were advised to prepare for possible future changes and that officers may be required to develop a new funding process. They were advised to model various scenarios such as no change to the Council’s funding, reduced funding or nil funding and that this should be considered in conjunction with the possible requirement to apply for funding in the autumn. Where officers attend Board meetings of partner organisations, Trustees have been kept up to date with progress and timescales.

8. Other options considered

The Committee could endorse the continuation of the existing SLA process. However, this would represent a missed opportunity to update the Council's approach to the way it funds not-for-profit organisations to meet desired outcomes including changing community needs, especially given the impact of Covid-19, and the Council's new corporate priorities, as well as the possible opportunity to work with "new" organisations.

9. Governance journey

The overall budget for the scheme will be approved through the Council's budget setting process reported to Value for Money Overview & Scrutiny Committee in early 2022 ahead of consideration by Executive and full Council.

Annexes:

Annexe 1 – Commissioning Market Position Document

Background Papers

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

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Agreed and signed off by:

Legal Services: 25 August 2021

Head of Finance: 27 August 2021

Strategic Director: 27 August 2021

Portfolio Holder: 25 August 2021