

## WAVERLEY BOROUGH COUNCIL

### EXECUTIVE – 06/10/2015

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#### Title:

#### **FUNDING SCHEMES FOR VOLUNTARY SECTOR ORGANISATIONS 2016-17**

**[Portfolio Holder: Cllr Stefan Reynolds]**

**[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 funding to the voluntary sector through the Waverley Community Partnership scheme and the Waverley Voluntary Partnership scheme for 2016/2017.

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

The Council funds voluntary 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 five priority areas.

#### Financial Implications:

The annual budget provision for funding to the voluntary sector in 2015/16 was £744,530. Funding awarded was as follows:

Number of organisations/projects supported	Total funding awarded (£)	Scheme
20	158,650	Waverley Community Partnership
15	42,770	Waverley Voluntary Partnership
7	108,000	SLA organisations
	210,000	Waverley Hoppa Community Transport
	32,490	Citizens Advice Waverley
	56,500	Farnham Maltings Outreach Service
	43,200	The Orchard Club
	54,000	The Clockhouse
	19,500	Age Concern Farncombe
		Cranleigh Arts Centre
	523,690	Total
	19,420	Reserved funds/emergency funding provision
<b>Total funding</b>	<b>744,530</b>	

This is a cost-effective way of helping to deliver the Council's Corporate Objectives in partnership with voluntary sector organisations. Decisions on funding for 2016/17 will be made as part of the Budget process to be concluded in February 2016.

The Council has worked hard and has maintained its overall spending on grants over the past four years despite facing major reductions in the Council's government grant. It remains hugely supportive of the work and services delivered by funded voluntary sector partners. The Council will continue to look to protect funding to the voluntary sector, which supports many of our most vulnerable residents, if at all possible. The overall budget for grants is not yet known, particularly as 2016/17 is expected to be another year of major reductions in government grants. In particular, the Chancellor announced the scope of a Spending Review in his summer Budget on 8 July asking government departments, including the Department for Communities and Local Government, to model two scenarios of 25% and 40% savings in real terms by 2019/20. Individual service area budgets will be scrutinised through the Star Chamber process and the Overview and Scrutiny Committees leading up to the final budget setting Council meeting in February 2016. The overall 2016/17 budget for the voluntary sector will be subject to final decision at this full Council meeting.

### **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.

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### **Waverley Community Partnership**

1. The principal aim of the Waverley Community Partnership 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.
3. The organisations receiving grants from the Waverley Community Partnership are detailed in Annexe 1.
4. The Council is hugely supportive of the voluntary organisations in the borough and is pleased to have maintained the overall budget at the same level since 2012/13, despite having to make significant savings on other services. An emergency funding provision of £45,000 was created in 2013/14 for urgent requests for support to current and new partner organisations during the year. In addition to one-off emergency support, some of these funds have been allocated to support an increase in funding to the organisations supported through a Service Level Agreement for 2015/16. Of the seven organisations, six were awarded an 8% increase. A balance of £19,420 remains unallocated and these funds are ring fenced to support unexpected or urgent requests for funding for support to the Service Level Agreement organisations throughout 2015/16.

5. The proposed application timetable for the scheme will enable the Waverley Community Partnership applications to be considered as part of the budget process.
6. It is proposed to update the name of the Waverley Community Partnership to the Waverley Community Grant Scheme. This reflects the need to identify it as a grant-funding scheme and also mitigates similarity with the name of the commissioning pilot, the Waverley Voluntary Partnership.

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

7. 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. In 2015/16 two new organisations applied to the scheme and one was awarded funding. A robust assessment process may create an opportunity to fund new organisations in 2016/17 that provide priority services to the community.
8. 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.

### **Proposed timetable for 2016/17**

9. It is proposed that organisations are invited to apply for revenue funding for the financial year 2016/17 with a closing date for applications of Friday 13 November 2015. The key dates are detailed below:

13 October 2015	2016/17 application round opens
13 November 2015	Application deadline
14 November 2015 to early December 2015	Processing of applications and assessment of applications, including Grants Panel initial proposals on levels of funding Community O&S Grants Sub-Committee observations
19 January 2016	Community O&S Committee to comment on proposed grants
2 February 2016	Executive
16 February 2016	Council
18 February 2016	Grant award letters sent to applicants

### **Application process and criteria**

10. 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.

11. Following an evaluation of the 2014/15 funding round, the eligibility criteria for organisations wishing to be considered for funding was strengthened. Organisations must show how their services meet one or more of five outcomes which reflect the needs of the community and priorities of the Council in supporting residents. The decision-making process was also made clearer. A copy of the Application Guidance is attached at [Annexe 2](#).
12. Officers will continue to reject applications which clearly do not meet the eligibility criteria, thereby providing organisations with clarity at an early stage.
13. Where an organisation has a nominated Member representative they will be invited to comment in general on the work of the organisation.

### **Assessment process**

14. Initial recommendations on levels of funding, within the overall budget of the scheme, will be made by a Grants Panel. Link officers will provide an initial assessment of the application and officers will carry out a financial appraisal of the organisation. The Panel will also receive copies of application forms and, for existing partners, their performance monitoring data. The Grants Panel will be chaired by the Portfolio Holder for Grants and two other Councillors. Officers from the Community Services team will support the Panel. When making a judgement on suggested grant levels the Grants Panel will take into account a number of factors which are detailed in section 9 of the Application Criteria.
15. The Grants Panel will meet before their suggested initial allocations are considered by a Community Overview and Scrutiny Grants Sub-Committee. The Sub-Committee's observations will be passed to the 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 2016.

### **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 setting out the Council's funding requirements. The Agreement details the key outcomes and outputs for the year, including the requirement to submit specific monitoring data during the year. The amount of data required from organisations is in proportion to their levels of funding awarded. This clarifies the expectation that the Council requires evidence that organisations are delivering meaningful outcomes that meet the needs of residents, provides evidence to demonstrate value for money and ensures greater accountability for the funding given. This information also facilitates organisations to scrutinise the services they deliver, assists them to demonstrate outcomes when approaching other potential funders and identifies the differences that their services make as part of the overall health and wellbeing landscape.

17. This monitoring information and the performance of organisations will be scrutinised as part of the grants process as, with the Council's reducing budgets, this information will help inform future decisions on Waverley's financial support for organisations and ensure the key outcomes are being delivered.

### **Service Level Agreements**

18. In 2012, Farnham Maltings, Citizens Advice Waverley and Waverley Hoppa community Transport signed three year Service Level Agreements, as a pilot for this new way of working. The Agreements ensure the Council has greater control and influence over the services delivered with its funding. They provide greater accountability for the funding given and the delivery of clear outcomes with robust performance measures.
19. Due to the success of the pilot, at its budget setting meeting on 17 February 2015, the Council agreed to fund these organisations and four further organisations under new Service Level Agreements for a further three years. The four additional organisations are The Orchard Club, The Clockhouse, Age Concern Farncombe and Cranleigh Arts Centre. These seven organisations will be funded from 1 April 2015 to 31 March 2018, enabling them to budget and plan over the next three years. As part of the process monitoring meetings are held with the organisations to review their delivery of the Service Level Agreement requirements and monitoring data.
20. A report on the performance of Farnham Maltings, Citizens Advice Waverley and Waverley Hoppa Community Transport for the full year 1 April 2014 to 31 March 2015 is on the Agenda for this meeting.

### **Waverley Voluntary Partnership**

21. The Waverley Voluntary Partnership one-year commissioning pilot funding scheme was developed in 2014 to replace the Waverley Voluntary Grants Panel, which was established in 2004 to support social care/welfare type projects in partnership with the County Council and Primary Care Trust. The commissioning pilot enabled the Council to continue to work in partnership with Surrey County Council to support wellbeing type projects in Waverley. Through commissioning, rather than grant funding, the Borough and County Council are able to set out their priorities to organisations and focus their funding on outcomes. This process also enables organisations to prepare to commission from other providers.
22. The previous overall budget of £42,770 from the Voluntary Grants Panel was allocated to the 2015/16 commissioning pilot scheme, which was matched by Surrey County Council, bringing the total pot to £85,540. The scheme was launched in November 2014 and 27 applications were received. A Panel representing both authorities scored applications according to strict criteria and 15 projects were agreed to be funded. Some organisations that are

funded through the Waverley Community Partnership are also funded through the commissioning pilot to deliver specific activities.

23. As this is a new way of working and that monitoring information and outcomes from funded organisations is available for one quarter only (1 April to 30 June 2015) at present, it is proposed that the pilot continues for another year and its success is report to Committee after one full year of the pilot, to agree whether to continue with the scheme for 2017/18. Surrey County Council has indicated that it is keen to continue to support the pilot for 2016/17, which offers both authorities the opportunity to align wellbeing funding priorities and match-funding to support outcomes for residents. It is proposed to continue with the same three commissioning priorities of mental health and emotional wellbeing, community transport and older adults.

### **Conclusion**

24. The Council funds the voluntary sector in a number of ways through the Waverley Community Partnership grant scheme, Service Level Agreements and Waverley Voluntary Partnership commissioning scheme. This funding mix enables the Council to get real value from its resources, meet its corporate priorities and deliver outcomes for its residents through partnerships with voluntary organisations. The Waverley Community Partnership continues to provide vital revenue funding to voluntary organisations, which is often difficult to secure from funders who tend to prefer to support one-off projects. Members will have the opportunity to make observations on the Grants Panel's proposed levels of funding for 2016/17 through the Committee process in January, as detailed in the timetable above. The Waverley Voluntary Partnership commissioning scheme enables the Council, in partnership with the County Council, to put the wellbeing outcomes for residents at the heart of the process. The three year Service Level Agreements for 2015-2018 reaffirm the Council's commitment to working with these organisations to support its residents.
25. The Council places great value on the work of the organisations that it supports through its funding schemes and their volunteers continue to work hard to deliver outcomes for the community in line with Waverley's corporate priorities. Many of the funded organisations provide vital services to the most vulnerable members of the community. The schemes are highly regarded by organisations and requests for funding exceed the funding budget each year. Waverley's funding 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 the Executive:

1. approves the opening of the 2016/17 funding rounds to the voluntary sector; and

2. approves the overall funding process as detailed within the report.

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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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