

Report of the Director of City Strategy

Core Funding to Voluntary Organisations 2010/2011

Summary

1. This report advises the Executive Leader of the applications received for financial support from City Strategy's voluntary sector funding budget for 2010/2011.

Background

Three year SLAs

2. In 2007/08 the Executive Member for City Strategy and Advisory Panel agreed four three-year funding agreements with organisations that will end in March 2010. A specific decision on these organisation's funding is therefore required. Members should be aware that three-year funding agreements currently consume a large proportion of the total core grants budget. The organisations with three-year funding agreements are listed below:

York Citizens Advice Bureau (CAB). Free, high volume generalist and specialist advice provided to all who live/work in the city; helping to reduce poverty and exclusion by ensuring services accessible to most vulnerable groups/individuals; proactive/multi-agency approach.

York Council for Voluntary Service (CVS). Primary local infrastructure organisation for Voluntary and Community Organisations (VCOs) in the city; supporting positive partnership working and capacity of VCOs to deliver services to meet needs of residents; enabling residents to become involved via forums, volunteering etc.

York Racial Equality Network. Promotes and provides independent information and support to victims of racial harassment and discrimination, facilitating involvement and consultation with black and minority ethnic (BME) communities in city.

Welfare Benefits Unit. Advice agency providing specialist advice and training to front-line advice providers and campaign work to maximise take up of benefits, which helps to reduce poverty.

3. The City Strategy core grants scheme currently supports seven additional voluntary organisations through one year funding agreements.
4. An annual review has been conducted with each of these organisations. This review has included an assessment of performance and an analysis of accounts for the year ending 2009. The review concluded that overall all organisations are complying with the requirements of their agreement.
5. In the case of York CAB, it should be noted that the organisation experienced difficulties during the course of 2008/09 culminating in the resignation of the Bureau Director and Board of Trustees.
6. CAB payments for 2009/10 (the final year of the 3-year Service Level Agreement) are being made quarterly in advance, and linked to regular monitoring reports - in order to see a clear demonstration of CAB recovering from recent events (e.g. hours open, number of enquiries processed, staffing levels).

The future role of Grant Funding within the Commissioning process

7. The Strategic Partnerships Team reported to Council Management Team (CMT) in December 2008, on a review of Third Sector Commissioning in York. The report sought to identify opportunities to increase the amount of business the Council undertakes with the Third Sector. The report also identified that the authority currently invests a total of £14m in the Third sector through commissioning and grant funding. CMT asked that consideration be given to the way that the Council commissions services across the authority, and across all provider sectors. The commissioning approach must also dovetail with the More for York procurement workstream.
8. Consultation on this report was undertaken with the Third Sector at the end of March 2009. It was agreed that the Council would look to produce some overarching commissioning principles that could be shared with the Third sector and other providers.
9. Feedback from the Third sector indicated that there was a future role for core grant funding within the wider commissioning agenda, but that authority grants should also be used in a more focused and dynamic way.
10. It was felt that there is a lack of clarity and transparency within the current CYC grant funding process. Third sector organisations would like to see a clear justification and criteria for authority core grants, aligned with wider corporate priorities. Currently awards are made on a historic basis, with little analysis of how the activities of the recipients fits within the wider corporate priorities of the Council.

Revised CYC Approach to Core Funding of Third Sector Organisations

11. Future investment in core grant funding to voluntary organisations sector needs to be considered as part of a progressive approach to commissioning that supports the strategic aims of the Sustainable Community Strategy and the Council's Corporate Strategy.
12. In light of the third sector feedback, and the ongoing work to align funding and commissioning strategies across the authority, it is proposed that the City Strategy core funding grants criteria should continue for another year until the way forward is clearer, as part of the More for York initiative.

Payments Proposed 2010/11

13. The table below outlines the Core Grants allocations approved for 2009/10. If the recommendation of this report is agreed, then it is proposed to make payments for 2010/11 on exactly the same basis depending on budget approval; this will require confirmation through the Council's normal budget processes.

Name of Applicant	Grant Awarded 2009/10 (£)	DRR Awarded 2009/10 (£)	Total Award 2009/10 (£)	Total Cost to Council
3 Year Funding				
York CAB	134,746	1,843	136,589	136,128
York CVS	29,203	14,065	43,268	39,752
York Racial Equality Network	30,470	160	30,630	30,590
Welfare Benefits Unit	24,849	0	24,849	24,849
1 Year Funding				
Travellers Trust	13,291	272	13,563	13,495
York Credit Union	7,100	0	7,100	7,100
Relate	8,864	1,116	9,980	9,701
Centre for Separated Families	9,069	553	9,622	9,484
Older Citizen's Advocacy	0	112	112	84
York women's Counselling Service	412	0	412	412

Name of Applicant	Grant Awarded 2009/10 (£)	DRR Awarded 2009/10 (£)	Total Award 2009/10 (£)	Total Cost to Council
CRUSE Bereavement Care	464	0	464	464
Family Mediation Service	275	582	857	712
York Childcare	0	3,216	3,216	2,412
Rural Action Yorkshire	0	1,280	1,280	960
Samaritans	0	419	419	314
Muslim Association	0	367	367	275
TOTAL	258,743	23,985	282,728	276,732
Available Budget 2009/10	276,030			

Consultation

14. Consultation was undertaken with the Third sector in March this year; in addition, Council officers meet with voluntary and community sector representatives through the York Compact Group. Annual review meetings have been held with the four organisations who have existing Service Level Agreements with the Council. In addition, quarterly performance information has been monitored regarding the Citizens Advice Bureau.

Options

15. In view of the commissioning report, the options are:

1. Continue existing arrangements and run the same process as in previous years as a precursor to entering into new 3 year agreements.
2. Agree in principle a one year extension to existing approvals to enable the commissioning work undertaken to be considered as part of the More for York procurement review.

Analysis

16. It is recommended that option 2 is followed to enable the Council core funding of Third Sector organisations to be considered as part of the More for York programme.

Corporate Priorities

17. The City Strategy voluntary sector funding programme supports the Inclusive City theme of the refreshed Corporate Strategy 2009-2012, namely:

- To make sure that all citizens, regardless of race, age, disability, sexual orientation, faith or gender, feel included in the life of York.
- Help to improve prospects for all, tackle poverty and exclusion and make services and facilities easy to access.

Implications

Financial Implications

18 In 2009/10, the budget for City Strategy's voluntary sector funding is £276,030. Approvals against this budget created a small overspend of £702 against the allocated funding to Third Sector organisations. The Budget for 2010/11 is not confirmed at present and will need to be approved through the Council's normal budgetary processes. Members are requested to consider the principle of a one year extension to existing agreements, pending a more comprehensive review through the More for York programme. Final confirmation of funding to organisations will need to be confirmed following approval of the Council's budget.

Human Resources

19. There are no direct human resource implications arising from this report.

Equalities

20. It is a requirement of all applicants to demonstrate and evidence their commitment to equal opportunities in the work of their organisations.

Legal Implications

21. The awards set out in this report are made under section 47 of the Local Government Finance Act 1988 (discretionary rate relief) and section 2 of the Local Government Act 2000 (other financial assistance).

Crime and Disorder

22. There are no crime and disorder implications arising from this report.

Information Technology (IT)

23. There are no IT implications arising from this report.

Property

24 There are no property implications arising from this report. However, it is noted that York Citizens Advice Bureau occupy premises leased from the Council.

Risk Management

25. The potential risks in grant funding external bodies range from failure of the VCO to deliver the agreed service at the appropriate standard, to the closure of the organisation as a whole with consequential loss of funds. These types of risks have been considered and are dealt with through the application, assessment and agreement process put in place by the Council. This includes a financial assessment of the organisation and a requirement that organisations meet the relevant standards for their type of service and that appropriate insurances are held.

Recommendations

26. That the Executive Leader agrees to extend existing funding approvals for the voluntary sector funding programme for a further year, subject to budget approval.

Reason: This provides continuity until a clearer funding and commissioning strategy for the authority has been produced.

Contact Details

Author:

Adam Gray
Senior Partnership Support
Officer
Strategic Partnerships Team
Tel No: 551053.

Nigel Burchell
Head of Strategic Partnerships
Strategic Partnerships Team
Tel No: 552055.

Chief Officer Responsible for the report:

Roger Ranson
Assistant Director – Economic Development
and Partnerships

**Report
Approved**

X

Date *September
2009*

Specialist Implications Officer(s)

Financial:
Patrick Looker
Finance Manager
Tel: 551633

Equalities:
Evie Chandler
Equalities Officer
Tel: 551704

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

Applications are held in the Strategic Partnerships Team.
Compact Guidelines