
Executive Leader Decision Session

7 September 2010

Report of the Director of Communities and Neighbourhoods

Core Funding to Voluntary Organisations 2011/2012

Summary

1. This report advises the Executive Leader of the applications received for financial support from City Council's voluntary sector funding budget for 2011/2012.

Background

2. The City Council's core grants scheme currently supports 16 voluntary organisations through one year funding agreements which will end in March 2011. A decision on these organisations' funding for 2011/12 is therefore required.
3. 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 2010. The review concluded that all organisations are broadly complying with the requirements of their current agreement.

The future role of Grant Funding within the Commissioning process

4. The Strategic Partnerships Team (within the City Strategy Directorate) reported to Council Management Team (CMT) in December 2008, on a review of voluntary sector commissioning in York. The report sought to identify opportunities to increase the amount of business the Council undertakes with the voluntary sector. The report also identified that the authority currently invests a total of £14m in the voluntary 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.
5. Consultation on the review of voluntary sector commissioning was undertaken with the voluntary sector at the end of March 2009.
6. It was felt that there is a lack of clarity and transparency within the current CYC grant funding process. Voluntary sector organisations would like to see a clearer justification and criteria for authority core grants, aligned with wider corporate and

city priorities. Historically awards were made based on the capacity of existing organisations to deliver the required volume of activity, without full consideration of how the activities of the recipients fits within the wider corporate priorities of the Council. Feedback from the voluntary 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 (and should be for a minimum three-year period). It was agreed that the Council would look to produce for some overarching commissioning principles for the voluntary sector and other providers.

Revised CYC Approach to Core Funding of Voluntary Sector Organisations

7. Future investment in core grant funding to voluntary organisations needs to be considered as part of a progressive approach to commissioning that supports the strategic aims of the Sustainable Community Strategy, the One City Strategy, the More for York programme and the Council's Corporate Strategy.
8. In light of voluntary sector feedback, the ongoing work within CYC to align funding and commissioning strategies across the authority, the more for York procurement work streams and the need to develop some overarching commissioning principles for the voluntary sector, it is proposed that the Council's core funding grants criteria should continue for another year.

Payments Proposed 2011/12

9. The table below outlines the Core Grants allocations for 2010/11. It is proposed to make exactly the same payments for 2011/12.

Name of Applicant	Grant Awarded 2010/11 (£)	DRR Awarded 2010/11 (£)	Total Award 2010/11 (£)
York CAB	134,746	1,843	136,589
York CVS	29,203	14,065	43,268
York Racial Equality Network	30,470	160	30,630
Welfare Benefits Unit	24,849	0	24,849
Travellers Trust	13,291	272	13,563
York Credit Union	7,100	0	7,100
Relate	8,864	1,116	9,980
Centre for Separated Families	9,069	553	9,622

Older Citizen's Advocacy York	0	112	112
York women's Counselling Service	412	0	412
CRUSE Bereavement Care	464	0	464
Family Mediation Service	275	582	857
York Childcare	0	3,216	3,216
Rural Action Yorkshire	0	1,280	1,280
Samaritans	0	419	419
Muslim Association	0	367	367
TOTAL	258,743	23,985	282,728

Corporate Priorities

10. The Council's 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.

Consultation

11. The recommendation of this report does not result in any change to the councils current approach to funding the voluntary organisations in the city on an annual basis. Therefore a consultation is not required or appropriate.

Options

12. There are two potential options for consideration as follows:

Option 1 - to run an application and bidding process as in previous years, but award all contracts on a three year basis.

Option 2 - to award all existing contracts/grants on a one year basis until the criteria of awarding grants to Voluntary organisations is in accordance with overarching principles is developed.

Analysis

13. Option (i) identified at paragraph 12 above would provide longer term certainty for voluntary organisations but would lock the council into this arrangement. This has the potential to delay the implementation of any recommendations arising from the council changing its approach to the commissioning and procurement of voluntary sector services.
14. Option (ii) identified at paragraph 12 above would provide the council with the opportunity to develop and agree the commissioning principles and to consider appropriate extensions to the length of the contracts.

Implications

Financial Implications

15. As in 2010/11 the budget for the Council's voluntary sector funding in 2011/12 is £282,728.

Human Resources

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

Equalities

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

Legal Implications

18. 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

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

Information Technology (IT)

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

Property

21. 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

22. The potential risks in grant funding external bodies range from failure of the voluntary sector organisations 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

23. That the Executive Leader agrees to maintain the existing annual funding arrangements as defined in option 2 at paragraph 12.

Reason: To provide continuity to the current providers until a clearer funding and commissioning strategy for the voluntary sector has been agreed.

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Report Approved

Date 17 August 2010

Specialist Implications Officer(s)

Financial:	Equalities:
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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 Neighbourhood Management Team.
Compact Guidelines