

Report of the Director of City Strategy

City Strategy Financial Support to Voluntary Organisations 2008/2009

Summary

1. Advice is required from members regarding the most appropriate way to allocate the residual £7,100 City Strategy voluntary sector grants budget for the 2008/09 financial year.

Background

2. The City Strategy voluntary sector grants budget has historically supported 14 organisations, with funding reviewed on an annual basis in 10 cases and on a three-yearly basis in 4 cases. At Budget Council on 21 February 2008 members approved an annual growth bid of £20,000 for the 2008/09 City Strategy voluntary sector grants budget. The implications of this were as follows:
 - A £7,900 inflationary increase was shared proportionately across the four organisations with three-year Service Level Agreements and the organisations with existing one-year agreements.
 - An additional £5,000 grant was awarded to York Citizens Advice Bureau (CAB) to cover their increase in rental costs.
 - A residual sum of £7,100 remained. The purpose of this report is to suggest various options for the allocation of these monies and to receive guidance and recommendations from members on the most appropriate option to take.
3. Four new funding applications were submitted during 2008/09, from York Older People's Assembly, Older Citizens Advocacy York, York Credit Union and York Unifying and Multicultural Initiative. The application from

the York Unifying and Multicultural Initiative was subsequently withdrawn. The £7,100 may therefore be allocated towards any one, or all, of the following three applications:

- **York Older People's Assembly.** The York Older People's Assembly currently functions entirely with volunteers and their application seeks funding of £10,000 for part-time administrative support of 16 hours per week. They argue that without such support the current activities of the Assembly are unlikely to be sustainable.
- **Older Citizens Advocacy York.** Older Citizens Advocacy York (OCAY) has applied for funding to support delivery of their service, which provides information and advocacy to all older people (50+) and aims to ensure that this group is not marginalised from society. Again funding of £10,000 is requested to ensure that OCAY can continue to deliver the service at the current level.
- **York Credit Union.** The Credit Union will carry a deficit from the 2006/07 year into the 2007/08 year. The total deficit across the two years will total £62,478. Their application for £25,000 will help the business to eradicate most of the 2007/08 estimated loss. The Credit Union is also making a number of additional grant applications to both expand its services and to build a sound capital and reserve base to support these developments in the longer term.

4. The total City Strategy grants budget for 2008/09 amounted to £275,000. Applications were assessed against a range of priorities, which will need to be taken into account in the assessment of the three new applications. Funding priorities are as follows:

- Supporting services or activities available on a citywide basis.
- Supporting services or activities which help to build the capacity of the voluntary and community sector as a whole.
- Supporting cross-cutting services or activities which help to reduce poverty and enable and help people and excluded 'communities of interest' to be socially included – in particular high quality advice and counselling services which help people to overcome some of the barriers to inclusion.

Applications for funding are also prioritised according to how well they:

- Meet identified needs in the city (including existing services).
- Provide clear outcomes from funding.
- Engage with excluded or vulnerable communities of interest including black and minority ethnic communities.
- Work alongside the Council and other agencies in a joint or multi-agency approach.

- Contribute to the Council's York Pride and Safer City priorities (particularly for new funding).
- Provide value for money (including financial leverage).

It is also necessary to consider the general criteria for Council financial support for voluntary organisations which includes:

- Services or activities which meet defined needs in the Council's area.
- Services for groups of people considered to be in special need.
- Goals or activities which complement those of the Council and other organisations in the York area; in particular the Council's corporate aims and priorities.
- Organisations able to demonstrate the benefits of their activities to the community and to individual clients in particular.
- Organisations complying with relevant legislation, including equalities legislation (in support of the Council's Equality Strategy).
- Organisations able to enter into service level agreements with the Council.
- Organisations able to sign up to the York Compact.

Applications which the Council will not support include:

- Services which it considers should be provided by other statutory bodies.
- Groups working to further the aims of particular religious or party political organisations.
- The activities of individuals.

Consultation

5. Voluntary and community sector (VCS) representatives of the York Compact Group were invited to attend a City of York Council 2008/09 budget seminar in December. This not only provided a mechanism to share information about the pressures, challenges and opportunities facing the council, but it also offered a route by which the views of these various groups could be fed into the decision making process regarding the allocation of the overall City Strategy voluntary sector grants budget for 2008/09.
6. Consultation within the Council has taken place with officers in Resources, Performance and Improvement (Equalities Officer) and Civic, Democratic and Legal Services.

Options

7. A number of options for the allocation of the residual £7,100 City Strategy voluntary sector grants budget have been considered as follows:

- A. That the £7,100 is shared proportionately between the three applicant organisations. £2,366 would therefore be offered as a contribution towards the total project costs required by each organisation.
- B. To support none of the applications submitted and carry forward the £7,100 funding within the City Strategy voluntary sector budget for the 2009/10 financial year.
- C. To award the full £7,100 to a single organisation.

Analysis

- 8. Option A. This would be a fair and equitable method of partially supporting all three groups with the limited resources available. This option goes at least some way towards enabling all three applicants to meet their requirements. The £2,366 that each organisation will receive could be used as matched funding to secure additional resources from other grant providers. The disadvantages of this option are that the sum of £2,366 alone is not sufficient for any of the applicants to fully achieve their objectives.
- 9. Option B. Whilst enabling new applications for small amounts of funding in the 2009/10 financial year to be considered, the negative affect on the morale of the current applicants due to wasted time, and resources would be considerable.
- 10. Option C. Whilst awarding the full £7,100 to a single organisation would go some way towards allowing that particular applicant to meet their aims more fully, the disadvantage of this option is the potential conflict caused by favouring one applicant over the two others.

Corporate Priorities

- 11. Awarding grants to the three applicants supports a number of the priorities for improvement included within the Corporate Strategy:
 - Offering support to York Credit Union will help improve the economic prosperity of the people of York, with a focus on minimising income differentials.

- Offering assistance to organisations supporting older people will help improve the health and lifestyles of the people who live in York, in particular among groups whose level of health is the poorest.

Implications

Financial Implications

12. There are no significant financial implications. The £7,100 sum of money under discussion is a small financial resource within the allocated budget which will have little significant impact upon overall authority financial budgets.

Human Resources

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

Equalities

14. Officers have been working with the Voluntary and Community Sector to discuss equality monitoring and to encourage them to make use of existing good practice.

Legal Implications

15. The awards set out in this report are made under section 2 of the Local Government Act 2000 (other financial assistance).

Crime and Disorder

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

Information Technology (IT)

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

Property

18. There are no property implications arising from this report.

Risk Management

19. There are no known risks other than the possible reputational risk to the authority if Option B is followed.

Recommendations

20. Members are asked to consider the criteria for the allocation of financial support to voluntary organisations and in light of this indicate which organisation/s they wish to support.

Reason

21. To allocate the City Strategy voluntary grants budget in a fair and transparent manner and to assist voluntary organisations with their work.

Contact Details

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Report Approved Date 23-4-08

Specialist Implications Officer(s)

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.
'Funding for voluntary and community organisations 2008/2009', booklet
produced by Strategic Partnerships Team, October 2007
Compact Guidelines