
Meeting of Executive Members for City Strategy and Advisory Panel

16th March 2009

Report of the Director of City Strategy

Core Funding to Voluntary Organisations 2009/2010

Summary

1. This report advises Members of the applications received for financial support from City Strategy's voluntary sector funding budget for 2009/2010.

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 not required, but Members should be aware that these existing funding agreements will consume a large proportion of the total budget for 2009/10. 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. 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 2008. The review concluded that overall all organisations are complying with the requirements of their agreement.
 4. In the case of York CAB, it should be noted that the organisation has experienced difficulties during the course of 2008/09 culminating in the resignation of the Bureau Director and Board of Trustees. The annual review was conducted with the Director and found that, although under pressure, the service was continuing to be provided. However, some specific projects (such as the Kingsway West scheme) were unable to be sustained. This work is now being undertaken by Future Prospects. The costs which the CAB core funding cover were still being incurred during 2008/09. Subsequent discussions with the Interim Director have confirmed this situation but also suggest:
 - There is scope to improve and modernise York CAB.
 - There is a need to provide York CAB with certainty about their funding beyond 2009/10.
 - There is a need to closely monitor the performance and delivery of York CAB during 2009/10
 5. It is therefore recommended that payments for 2009/10 (the final year of the 3-year Service Level Agreement) are 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).

One-Year Funding Applications for 2009/10

6. The tables below demonstrate that 9 one-year applications for grant funding have been made to City Strategy's voluntary sector funding budget for 2009/10. These include 7 renewal applications from existing grant holders, and 2 additional applicants (York Older People's Assembly and older Citizens Advocacy York) who applied for funding in 2008/09 but were turned down due to lack of available budget.
7. There have been 10 applications for Discretionary Rate Relief, including 9 Renewal applications, and one new application from the York Business Advice Centre.

Table 1: Grant Applications Received 2009/10

Name of Applicant	Grant Requested 2009/10 (£)	DRR Requested 2009/10 (£)	Total Value of Applications 2009/10 (£)	Comment
3 Year Funding				
York CAB	134,746	1,843	136,589	Final year of 3-year SLA
York CVS	29,203	14,065	43,268	Final year of 3-year SLA
York Racial Equality Network	30,470	160	30,630	Final year of 3-year SLA
Welfare Benefits Unit	24,849	0	24,849	Final year of 3-year SLA
1 Year Funding				
Travellers Trust	20,000	272	20,272	Renewal of annual grant
York Credit Union	19,378	0	19,378	Renewal of annual grant
Relate	10,000	1,116	11,116	Renewal of annual grant
Centre for Separated Families	10,000	553	10,553	Renewal of annual grant
Older Citizen's Advocacy York	10,000	112	10,112	New annual grant application
York Older People's Assembly	10,000	0	10,000	New annual grant application
York Women's Counselling Service	1,200	0	1,200	Renewal of annual grant
CRUSE Bereavement Care	1,000	0	1,000	Renewal of annual grant
Family Mediation Service	250	582	832	Renewal of annual grant
York Childcare	0	3,216	3,216	Renewal of DRR
Rural Action Yorkshire	0	1,280	1,280	Renewal of DRR
Samaritans	0	419	419	Renewal of DRR
Muslim Association	0	367	367	Renewal of DRR
York Business Advice Centre	0	1,251	1,251	New DRR application
TOTAL	301,096	25,236	326,332	
Available Budget 2009/10			276,030	

Table 2: Payments Proposed 2009/10

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 York	0	112	112	84
York women's Counselling Service	412	0	412	412
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

8. Officers have assessed the applications for funding against the criteria. All the annual grant applications met one or more of the City Strategy criteria for funding. Financial information has also been checked by officers in Accountancy. Application forms are kept on file should Members wish to view them.
9. Total authority investment in the third sector is almost £14 million. However, the majority of this funding contributes to project costs. The core funding provided through the City Strategy budget is to specifically maintain the ongoing, overhead costs of voluntary organisations. By investing in voluntary organisations in this way they are able to support a range of positive outcomes within the City. For example, the various counselling and mediation services the City Strategy budget underpins helps to alleviate the effects of family breakdown - both emotionally and financially. Supporting voluntary infrastructure organisations (such as York CVS) with their core costs allows them to offer a range of free information and development services to grassroots community groups.
10. The budget available in 2009/10 is £276,030, the same as 2008/09. The overall amount of funding applied for is £326,332. Therefore, the shortfall between the applications made and current budget available is £50,302
11. It is clear from the shortfall between applications made and budget available that all applications cannot be funded. It is therefore proposed to maintain existing funding agreements at the same level as 2008/09. However, this means that the additional cost of DRR will create a small overspend of £702.

Corporate Priorities

12. The City Strategy voluntary sector funding programme supports a number of the elements included within the refresh of the Corporate Strategy:
 - Improve the economic prosperity of the people of York with a focus on minimising income differentials.
 - Improve the health and lifestyles of people who live in York, in particular among groups whose levels of health are the poorest.
 - Improve the life chances of the most disadvantaged and disaffected children, young people and families in the City.
 - Improve the quality and availability of decent, affordable homes in the City.

Implications

Financial Implications

13. The budget for City Strategy's voluntary sector funding in 2009/10 is £276,030. The total cost of all officer recommendations made in this report is estimated at £276,732 - a small overspend of £702

Human Resources

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

Equalities

15. 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

16. 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

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

Information Technology (IT)

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

Property

19. 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

20. 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

21. Members are asked to maintain existing funding agreements as set out in paragraph 11.

Reason: This provides continuity and eliminates the impact of any reductions in funding. These organisations have been identified as high priority as they meet some or all of the criteria for funding.

22. Members are asked to approve the approach to managing York Citizens Advice Bureau as set out in paragraph 5.

Reason: This allows CYC to monitor the recovery of CAB with close monitoring and regular funding payments.

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Report Approved

Date 18 February 2009

Specialist Implications Officer(s)

Financial:	Legal:	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 Strategic Partnerships Team.
'Funding for voluntary and community organisations 2009/20010', Nov 2008
Compact Guidelines