
**Meeting of the Decision Session – Executive
Member for Children and Young People**

8 March 2011

Report of the Director of Adults, Children and Education

Transitional Support for Early Intervention Work in the Voluntary Sector

Summary

1. This paper sets out proposed transitional arrangements for early intervention work in the voluntary sector to enable the development of its capacity to respond to new commissioning approaches. It is consistent with the proposed Council budget for 2011-12 but was drafted before this was formally set; if necessary, an oral update will be provided at the meeting.
2. The Executive Member is asked to:
 - Note the ongoing work in this area;
 - Approve the process for the development of this work in the next funding period, including transitional arrangements.

Background

3. The Children's Early Intervention Fund built on the legacy of the Children's Fund in York. It has provided a range of targeted and robustly evaluated early intervention and preventative support aimed at vulnerable children aged 5-13. Services were commissioned from both public agencies and the voluntary sector. In the most recent funding period (2009-2011), York received £356k per year from Government via the Area Based Grant (ABG) mechanism in order to fund projects until March 2011. The commissioning process was undertaken in conjunction with Better Play Grants; recommendations were made by a multi-agency assessment panel, and put before the Executive Member for approval. All funded work was set out in Service Level Agreements which made clear there was no guaranteed funding beyond March 2011.
4. In September 2010, following an in-year reduction in the Area Based Grant, the Executive Member approved a reduction in funding of 25% in the commissioned activities. This was implemented as an across the board reduction in funding for these activities: essentially, we gave notice, consistent with our Compact Agreement with the voluntary sector, that we would not be able to make the final quarter's payment. We also made it clear that no further funding could be assumed.

5. The Council's proposed budget for 2011-12 includes a number of proposals for distributing the new Early Intervention Grant. Included within these is provision for £93,750 for targeted early intervention activities provided by voluntary sector organisations, plus an appropriate amount for management of the programme. This sum is consistent with the amount spent on such activities in the current financial year (after allowing for the ABG reduction, and excluding those activities that have a more recreational focus). Many authorities are not commissioning any further early intervention work from the voluntary sector in the current financial climate, so by maintaining the current level of this year's investment we are demonstrating the high priority we attach to such activities.

Consultation

6. An inclusive evaluation process has been undertaken with all of the organisations managing the work commissioned in the previous funding round. Prior to the Executive Member decision making session in September 2010 there was a meeting with organisations funded. Voluntary sector organisations made presentations individually and collectively at the member decision-making session, and the decisions from that session were communicated in writing.
7. The Integrated Commissioning sub-group of the Yor-Ok Board, which has voluntary sector representation, discussed the issue in November 2010 and particularly the sustainability of voluntary sector organisations. An assessment was presented, identifying the most vulnerable groups.
8. All organisations whose work has been commissioned by the Early Intervention Fund have been fully informed of developments, including advice on which other funding streams (including Better Play Grants) might be available. In particular the two organisations whose activities are more recreational in nature, and who would not receive continued funding under our proposals, are aware of this.
9. There will be further consultation with the voluntary sector during 2011-12 as both the Council and the sector adjusts to the new world. It is clear that over time, the Council may commission a wider range of services from the voluntary sector than currently. The sector has advised us, via CVS, that their preference for 2011-12 is for transitional arrangements which are consistent with the recommendations of this report.

Options and Analysis

10. We have considered a number of options for allocating the £93,750 available to us, but believe that most of them can be quickly ruled out as impractical:
 - In theory we could announce this sum of money as a new "pot" and commence a new commissioning exercise. However this would take a considerable amount of time to organise, particularly with the need to comply with the voluntary sector Compact. By the time we got to making the allocations, a number of the organisations that currently provide activities would have encountered serious problems of sustainability. The

express wish of the voluntary sector is for a year of transition, while we work jointly on new commissioning arrangements for 2012 onwards.

- In theory we could allocate this pot across the full range of bodies that currently benefit from the early intervention fund, including the council itself. However we believe this would spread the sum available much too thinly, and in any case, all appropriate areas of council activity have been considered for mainstream funding, or a separate allocation from the Early Intervention Grant.
 - Within the voluntary sector, we could in theory allocate the pot to all the bodies that have previously benefited from the early intervention fund on a pro rata basis, including those whose activities are more recreational in orientation. However this too, we believe, would spread the pot too thinly, and we recommend that the funds should be allocated in accordance with the underlying philosophy of the Early Intervention Grant, to the effect that funding should support early and targeted intervention for the most vulnerable children and young people.
11. This leaves us, we believe, with effectively only one option: to roll over the current level of funding to those voluntary organisations that provide effective targeted intervention activities into 2011-12, as set out at Annex A. By “current level of funding” we mean the sum that each organisation ended up receiving in 2010-11 after the in-year cut to the ABG, rather than the amount originally allocated. So all organisations will have to make adjustments; however, as noted earlier, many councils have not been able to preserve any such programme, and we believe that York’s continued commitment to this activity will be welcomed. Savings will also be made in administration costs for the programme.

Corporate Priorities

12. This work meets the corporate priority of ‘Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city’.

Implications

Financial

13. An amount of £93,750 is included within the proposals for the Early Intervention Grant in 2011/12 to continue with activities commissioned from the voluntary sector to support early intervention work. The details and amounts of the proposed allocations are at Annex A.

Human Resources (HR)

14. These proposals do not have any HR implications for Council staff. They will however support continued employment opportunities in the voluntary sector.

Equalities

15. Equalities Impact Assessments have been undertaken. The funding will enable the voluntary sector to continue to provide support for children and young people who are vulnerable due to disability, caring responsibilities, because of experience of domestic violence or who are members of minority communities.
16. There are no implications relating to Crime and Disorder, ITT, Property or Legal arising from this report.

Risk Management

17. The council is obliged to ensure that funding decisions are subject to a thorough commissioning process. Additionally there are risks to council reputation if services and support currently funded through Early Intervention Fund are not subject to a thorough commissioning process. Our proposal is to use the transitional period to develop new commissioning arrangements with the voluntary sector.
18. Any alternative approach would almost inevitably see the demise of some of the smaller voluntary sector bodies, which would in turn reflect adversely on the Council's reputation.

Recommendations

19. The Executive Member is asked to approve the allocations set out at Annex A.

Reason: to maintain the key elements of the early intervention programme, providing transitional stability for the voluntary sector while new commissioning arrangements for the longer term are devised.

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Report Approved **Date** 24 February 2011

Specialist Implications Officer(s)

Financial
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Wards Affected:

All

For further information please contact the author of the report

Annex

Annex A – Spreadsheet of proposed funding to the Voluntary Sector