



Report to Overview and Scrutiny Committee

Subject: The Council's Engagement with the Voluntary Sector

Date: 5 August 2013

Author: Members Services Officer

Purpose of the Report

To present the final report and recommendations of the Council's Engagement with the Voluntary Sector Scrutiny Review.

Background

The Policy Scrutiny Committee agreed to include in its programme of work a scrutiny review which would consider how the authority engages with, and allocates resources, to voluntary groups in order to deliver outcomes that support the Council's strategic priorities.

During this review Members:

- Learnt about how the authority engages with the voluntary sector
- Considered the grant aid application and allocation process
- Learnt about how Service Level Agreements are used
- Reviewed historical grant applications
- Received information from the Corporate Director and Service Manager who have responsibility for grant aid and representatives from the voluntary sector.

Working Group Members:

Councillors: P Allan (Chair), K Blair, B Andrews, G Gregory, M Paling, C Powell, M Weisz, H Wheeler.

Information

The voluntary and community sector has an important role in supporting service provision by the authority. The relationship the authority has with individual voluntary sector groups is very diverse as are the groups themselves. Some are large national and local umbrella organisations who employ staff, have charitable status and defined management structures; others are small groups with loose constitutions run by volunteers. They are usually non-profit driven, non-statutory, autonomous organisations. The authority may have an active relationship with some groups but no contact with others.

The nature of the relationship will vary and can include the commissioning of larger groups to carry out specified services through the mechanism of a Service Level Agreement, partnership working with voluntary and community groups who have identified local need, support for voluntary action for the good of the community or gauging public opinion but mainly the relationship is via grant aid funding. Grant aid is not used for the provision of services but contributes to the provision of services and initiatives undertaken by voluntary groups. Voluntary sector organisations can add much to the effectiveness of local authority services, they have local knowledge and expertise in specific areas of work facilitating engagement with local community groups, promote good practice in volunteering and support projects which are of benefit to the community.

The total grant aid allocation 2013/4 is approximately £180,000.00; this includes £81,000.00 allocated for Service Level Agreements and £25,000 for the Members Pot.

Service Level Agreements (SLAs)

Service Level Agreements are formal arrangements with loosely based unmonitored targets and outcomes. They differ from contracts which are more legally binding with tighter monitoring and targets.

The authority currently has service level agreements with three organisations.

Gedling Council for Voluntary Services (Gedling CVS), Rural Community Action Nottinghamshire (RCAN) and the Citizens Advice Bureau. Both RCAN and Gedling CVS operate as umbrella organisations that coordinate the activities of a number of smaller organisations assisting them to facilitate and support a diverse range of initiatives within the community.

The Citizens Advice Bureau supports information and advice services throughout the borough.

RCAN provides funding advice to rural and community voluntary groups, support with neighbourhood and community planning, advice to Parish Councils and is currently developing a series of Parish Council Forum events. In addition they undertake work with specific groups for example Gypsy and Traveller support, Wheels to Work and a Suicide Awareness Partnership Training programme.

Gedling CVS supports and develops voluntary and community activities throughout the borough. This includes providing support and advice on governance, funding and financial issues to groups. Initiatives include facilitating chair based exercises for older people and people with disabilities, supporting the Gedling Elders Caribbean Lunch Club, developing a database cataloguing all voluntary and community groups and a voluntary transport scheme.

The two voluntary organisations, CVS and RCAN that attended the working group meetings were positive about the relationship they have with the authority.

Grant Aid

In addition to the three SLAs grant aid is available to a range of organisations, this includes preschool, play scheme and arts development grants, grants to individuals and clubs and OAP support via discounted use of Community Centres. Community Development grants enable groups to run annual events for example the Gedling Gala and the 4th Carlton Scout Group bonfire and equipment grants support children's play schemes during the summer school holiday. Small grants of under £100.00 are available to support the cost of non-profit making committee run play groups. Larger grants are available to support local arts organisations and for a number of organisations that deliver a wide range of arts activities throughout the borough including the promotion of the Chinese New Year and the art events in Arnot Hill Park. In addition grants are available to individuals support athletes who have been successful at national level in their chosen sport, and coach scholarships support the development of local sports coaches. Currently activities targeting OAPs run in Community Centres are allowed concessionary rates or free hire, this are also funded through the grant aid budget.

Members were informed that the majority of grant aid funding is allocated on an historical basis and there is been little change in the organisations that receive funding or the levels of funding provided. It is difficult for new groups to access grant aid as there are no systems in place to publicise the grant application process.

There is no centralised system for grant applications as the grant allocations are managed by Service Managers in differing Directorates.

GBC currently does not have a corporate grant aid policy but signed up to the Nottinghamshire Compact in 2009. This sets out a framework for partnership work with the statutory and voluntary sector in Nottinghamshire.

A recently held Funding Fair, which was open to all voluntary organisations and community groups, was held to inform groups about a range of funding organisations in the borough. This event included information about funding available from Gedling Borough Leisure and Community Grant aid. Members acknowledged this as a positive event step forward and hoped this would become a yearly event.

Members Pots

The Member's Pot Initiative gives every Gedling Borough Councillor £500 to spend on, groups and clubs working for the benefit of Gedling Borough. This funding is available each financial year and is only available to organisations that have a bank account. Groups are able to contact their local Councillor to make an application. Members felt that because of the lack of information available to them it was possible that some groups were accessing this funding unfairly by approaching and securing money from numerous Members.

Conclusions and Recommendations

Members concluded there were many benefits from working closely with the voluntary sector and that this relationship should not be just involve the funding of community and voluntary organisations but should be a partnership relationship whereby by both parties

are able to enhance the support they provide within the community. The voluntary sector could have a greater role in supporting service provision and Members felt there was a necessity to develop a framework whereby grant aid could be utilised to enhance current service provision. Members considered it was important to establish what the authority is trying to achieve with its grant aid funding and to be confident that grant funding decisions are made in a systematic, constant and transparent way a new grant aid strategy needed to be developed.

Service Level Agreements

Members found it difficult to access basic performance information relating to the effectiveness of the Service Level Agreements and acknowledged that the nature of the way that RCAN and Gedling CVS operate as umbrella organisations make it difficult to establish how effectively grant aid has been utilised. The Committee are aware that these organisations could well be providing effective, valuable and worthwhile support to smaller associated organisations but considered currently it was not possible to demonstrate if expectations were being met and the funding provided was meeting objectives and providing value for money.

Members were concerned about transparency, value for money, lack of defined targets and weakness of the systems currently available to monitor compliance with the SLAs. They felt that the vague aims and objectives, lack of specification, absence of defined outcomes or outputs and a monitoring process were all weaknesses that needed addressing. In addition they concluded this lack of clarity as to how funding was being used could lead to the duplication of funding from multiple organisations for similar work and that an arrangement with tighter specified objectives is required and the monitoring of performance and quality standard needs to be developed to remove this concern.

Recommendation 1

Service Level Agreements should be replaced by contract arrangements for specified services increasing transparency of what the funding is used for and what it achieves.

When designing the contract it should:

- identify a set of objectives and what actions that are required
- define what outcomes/outputs the contract should deliver
- establish targets that are SMART, specific, achievable, measurable, achievable, realistic and timely
- include a formalised set of monitoring arrangements to ensure the objectives and targets are met
- ensure value for money
- be phased in so as not to destabilise the finances of the recipient organisations.

Grant Aid

Members concluded that as there is little finance available to support the voluntary sector what is available should be used as effectively as possible, and that any

arrangement for the allocation of grant aid funding should be fair and made in a systematic, constant and transparent way. They considered that the current arrangements did not meet this criteria and that there was a need to develop a voluntary sector grant aid strategy that not only aligns with the Council priorities and sets out what the authority is hoping to achieve but should be open and accessible by all organisations. Members felt the introduction of three year funding awards replacing the need to apply annually would provide certainty for groups receiving small awards and remove a yearly administrative burden. The three year awards could be monitored annually before funding is released. The lack of a single contact within the authority for voluntary sector funding was seen as a weakness. Currently grant aid funding is only a small part of a number of different job roles and Members felt that if all grant aid distribution was consolidated into one job role that this would make the process more transparent and accessible, easier to identify duplication and enable the post holder to support the voluntary sector more effectively.

Recommendation 2

A new voluntary sector grant aid strategy should be developed that aligns with the Council priorities and sets out what the authority is hoping to achieve.

It should:

- identify what services the authority wants the voluntary sector to provide and how we can help them to do this
- be publicised and available to all organisations
- advertise and invite applications as widely as possible through the Gedling Borough Web pages, Contact magazine and the Funders Fair
- use an application process that is available and accessible to all organisations, providing clear written guidance on how to complete the application, include an explanation of allocation process, possibly through the provision of an online form
- ensure that grant aid funding is available to a wide range of diverse groups
- have no automatic renewal
- include all grant aid funding streams
- record all grant aid funding by the authority, including the Member's Pots, to prevent duplication
- be necessary for organisations to disclose all funding streams to prevent duplication
- incorporate a mechanism to monitor outputs and outcomes. Monitoring should be undertaken but it should be proportional to the amount of funding allocated, not time consuming or onerous and could possibly be via self-assessment of agreed targets
- explore the possibility of awarding some of smaller grants on a three year arrangement
- consider aligning all grant aid within one directorate
- inform organisations well in advance of any changes that will be made to the grant aid strategy, giving them time to seek alternative funding streams.

Members concluded that Gedling as a borough was underperforming in attracting external grant aid funding. They considered that funding streams from national trusts, funds and organisations like the Lottery should be accessed to maximise funding for voluntary groups. The authority should determine the reasons for this failure to attract funding and develop arrangements to support and assist organisations to access external funding streams that would enable additional income to be drawn into the borough. This could be done either by the authority assuming the role or contracting one of the umbrella organisations currently funded through a service level agreements to undertake this work.

Recommendation 3

A scheme to support voluntary organisations maximise funding from national sources is established.

Members considered that the authority should seek none monetary ways to support voluntary groups that benefit the community. Expertise and knowledge, space to advertise, subsidised rates for use of facilities are among some of the possibilities that could be explored.

Recommendation 4

Non-cash ways that the Council can support voluntary groups should be determined and publicised.

Members were concerned about the role that Members on outside bodies were expected to undertake particularly when this involved inclusion on a management committee. Clarification is needed as to why are Members are on some of the outside bodies, what their role is and what is their responsibility to the group. They considered particular issues arose when funding requested or received from the authority were discussed.

Recommendation 5

Define the purpose and role of Members who are appointed as representatives on outside bodies.

Scope

Scrutiny committee:	Policy
Working Group:	The Council's Engagement with The Voluntary Sector
Chair of group:	Councillor Allan
Working group members:	Councillors: Powell, Andrews, Weisz, Blair, Allan, Paling, Wheeler, Gregory
Portfolio holder/s:	Councillor Fox

(1) Scope

Why this review is being undertaken

(List the specific outcomes – **Specific, Measurable, Achievable, Realistic and Time bound**)

To examine how Gedling Borough Council engages with, and allocates resources to, voluntary groups in order to deliver outcomes that support the Council's strategic priorities.

This will include:

- establishing which voluntary organisations we work with
- defining what the Council seeks to achieve with grant aid funding and determine what mechanisms exist to monitor the outcomes
- reviewing historical grant allocations to establish that there is a clear and consistent process for awarding grant aid
- examining how the grant aid budget is utilised to provide support and services for all sectors of the community
- considering if grant aid could be used more effectively
- identifying possible ways in which the expertise within the voluntary sector can be used to inform and enhance service provision
- considering what opportunities there are for closer working with the

voluntary sector

- exploring other means of supporting community activities including links with the private sector
- establishing when commissioning is appropriate.

Aims

Aim	Corporate Values
To ensure the grant aid application process is fair and transparent	1. A caring and fair Council that treats customers, residents, partners and staff well
To identify how voluntary groups are able to inform and influence policy development by acting as a conduit for the views local communities.	2. A listening Council that listens to and involves the people it serves
	3. An ambitious Council one that is never satisfied and constantly hungry for improvement
To ensure that the needs of all sectors of the community are considered when awarding grant aid	4. A responsive Council that is sensitive to different needs and acts accordingly
To ensure that grant aid support is effectively used to support local service provision	5. An efficient Council that is responsible ; that avoids waste and makes the most of what it has

(2) Timetable

The review will commence in:	January
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Milestones:	
The review will report in:	
Committee dates:	
Frequency of meetings:	4 weekly

(3) Information gathering and consultees

The working group has requested the following information:

Which groups do we currently grant aid?

What criteria are used to determine which groups receive grant aid?

What is the process for groups to apply for grant aid?

Which groups have Service Level Agreements and why?

How are outcomes measured particularly for the larger groups that have a Service Level Agreement?

What is the total amount of grant aid awarded by the authority including Members pots, thematic grants for example Neighbourhood Watch, is there any mechanism to avoid duplication of funding?

How and why do we engage with the voluntary and community sector, what are the benefits for the community and the Council?

How can the Council and the voluntary sector improve how they work together in the future?

Could Grant Aid be used in a different way to increase the capacity of services to residents of Gedling?

How can we maximise opportunities for funding for the voluntary sector?

What are the main questions to be asked and of what parties?

Specific information from:

John Robinson, Chief Executive

Paula Darlington, Corporate Director

Councillor Kathryn Fox

Voluntary Groups - CVS

The working group will be inviting the following persons/organisations to one or more meetings to help with the review:

John Robinson, Chief Executive

Paula Darlington, Corporate Director

Councillor Kathryn Fox

Voluntary Groups which could include CVS, CAB, RCAN

Visits

The working group might need to consider a visit to:

Possible visit to a voluntary group

(4) How the community will be consulted, informed and involved

The working group wishes to consult through:

Member's discussion with voluntary and community groups?

(5) Equality of opportunity

The following Equality Impact Assessment method will be applied

Equality issues will be considered throughout this review and when making any recommendations.

(6) Resources

The working group is supported by:

Members' Services Officer

Members' Services Team Leader

(6) How the effectiveness of the review will be measured

After the initial review the working group will....

(Review date to be included in Scrutiny Forward Plan)

Recommendations that develop a clear and consistent decision making process for the allocation grants and for consultation to voluntary sector groups.

Review follow up date to be included in Scrutiny Forward Plan.