

CHESHIRE EAST COUNCIL

REPORT TO: Sustainable Communities Scrutiny Committee

Date of Meeting: 7 July 2011
Report of: Juliet Blackburn, Performance and Partnerships Manager
Subject/Title: Funding For the Community and Voluntary Sector

1.0 Report Summary

- 1.1 This report provides an update on Cheshire East Council's funding to the community and voluntary sector. It provides a summary of the current funding position, the key issues to address, and how the presentation and publication of this funding information is being improved.

2.0 Recommendations

- 2.1 Scrutiny committee is asked to note the report.

3.0 Wards Affected

- 3.1 All

4.0 Local Ward Members

- 4.1 All

5.0 Financial Implications

- 5.1 There are no immediate financial implications from the report - all funding for the community and voluntary sector in 2011/12 is included within the budget.

6.0 Legal Implications (Authorised by the Borough Solicitor)

- 6.1 None

7.0 Risk Management

- 7.1 The reason for undertaking a review of funding to the community and voluntary sector has been, in part, to mitigate the risk of losing important services provided by the sector.

8.0 Background

8.1 This paper has been produced based on work undertaken by a cross directorate working group since July 2010. This group was initially formed to undertake the following tasks:

1. Gather a list of all current funding support for community and voluntary sector organisations, both grants and commissioning.
2. Agree how to consult with the sector during as part of the business planning process for 2011/12, using existing mechanisms as much as possible.
3. Agree the Council's approach to funding for the sector for 2011/14 eg whether to have different funding reductions across services, or a consistent approach.

8.2 In undertaking this work, the group identified the following key points:

1. There is no clear definition of what constitutes a community or voluntary organisation, or a not-for-profit organisation. The working group has therefore chosen to pool information on a broad range of funding.
2. For the purpose of this review Cheshire East funding to community and voluntary sectors can include grants or commissioned services, and can be administered via a contract or service level agreement or a simple grant payment. Different services use different terminology and this is one area where consistency will be improved.
3. The working group has only considered funding provided to the sector, however in-kind support is also provided such as free hall hire or officer support. In-kind support may need to be considered further in order to ensure consistency.

9.0 Overview of current funding position

9.1 A comprehensive spreadsheet has been prepared by the group, identifying all third sector organisations and their current funding arrangements. This information was shared with the Scrutiny Committee in March 2011. The value of creating a single list should not be underestimated – it has highlighted where groups have been inefficiently funded from a number of services, or where groups are funded from the wrong service. This knowledge provides a solid foundation for further improvements to our work with the sector.

9.2 In terms of current funding the following points are worthy of note:

- The Council provides funding to approximately 160 community, voluntary and not for profit organisations
- The total level of funding to the sector is approximately £6.3 million

- The majority of the funding is managed by Adults, Community Health and Wellbeing and Children and Families Services (over 70%). This tends to be commissioned services and is funded through a mixture of central government grants and the Council's base budget.
- Funding for the sector from Places and Health and Wellbeing is much more mixed in terms of the type of organisations funded and the arrangements eg some commissioning, some grants and some service level agreements.
- Funding from the Partnerships team is a mixture of grants to larger infrastructure organisations such as the Council for Voluntary Services, and community grants

9.2 As a result of the review in 2010/11 the working group has implemented the following improvements:

- A number of funding arrangements have been transferred from one service to another, primarily from Partnerships to Children and Families or to Adults Community Health and Wellbeing. This strengthens the Council's approach to commissioning the sector rather than grant funding.
- Partnerships, Adults, Community Health and Wellbeing and Children and Families have agreed a joint approach to funding for those few organisations which are jointly funded eg the Citizens Advice Bureau.
- Adults, Community Health and Wellbeing and Children and Families have worked jointly with the Primary Care Trust to identify joint funding arrangements for a number of community and voluntary groups.
- The working group co-ordinated its communication with community and voluntary sector organisations during the business planning process. The Council has established networks, particularly the Community, Voluntary and Faith Sector Hub for Children and Family Services. As each service has established different networks and mechanisms for communication, reflecting the diversity of the organisations funded, a single approach to communication was not considered appropriate. However, good practice has been shared and adopted.

10 Next Steps

10.1 There are 3 main areas of further work in the next 6 months:

- The funding list**
The initial list drawn up in 2010/11 has been very useful but a number of improvements will be made, namely:
 - Providing a clear summary of the service/project provided through the funding

- Identifying if the funding is from a central government grant, other grant, or the Council's base budget
- Identifying the geography covered by the service/project
- Identifying a lead officer for each individual funding stream

This improved information will be useful to officers and members in managing funding support to the sector. In addition, this information will be useful for publishing on the Council's webpage. This is in line with the Government's code of recommended practice on data transparency.

ii. Contracting and performance management

The funding review identified a number of different approaches to the paperwork and processes used to provide funding to the sector. The working group is collaborating to establish consistent practices across all directorates which are robust but which minimise bureaucracy.

iii. Improved understanding of the sector in Cheshire East, and improved communication

Services are working together to undertake "market testing" to better understand what services/projects can be provided by our local organisations, and how they think current service provision can be improved. This is important as it increases the sector's role as a partner in developing solutions to improve the quality of life in Cheshire East, not simply responding to the Council's commissioning requests.

As we develop our communication and joint working with community and voluntary groups we will continue to work with CVS Cheshire East (Council for Voluntary Services) as an important umbrella organisation for the sector. We will also continue to work with the Community, Voluntary and Faith Sector Hub (focusing on Children and Family services), and also develop a provider forum for organisations with links to Adults, Community, Health and Wellbeing.

11.0 Access to Information

- 11.1 The background papers relating to this report can be inspected by contacting the report writer:

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