

CHESHIRE EAST COUNCIL

REPORT TO: Sustainable Communities Scrutiny Committee

Date of Meeting: 7 October 2010

Report of: Juliet Blackburn, Partnerships Manager

Subject/Title: Funding For the Community and Voluntary Sector In Cheshire East

1.0 Report Summary

- 1.1 This report provides an overview of funding support from Cheshire East to the community and voluntary sector. It identifies how funding for the sector is being considered as part of the business planning process for 2011/12, what communication is taking place with the sector in terms of funding, and the next steps in co-ordinating this work across the Council.

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 All funding for the community and voluntary sector is being considered by the relevant service area as part of business planning for 2011/12

6.0 Legal Implications (Authorised by the Borough Solicitor)

- 6.1 None

7.0 Risk Management

- 7.1 The purpose of the review of funding for the sector set out in this report is, in part, to mitigate the risk of losing essential services provided by the sector.

8.0 Background and Options

- 8.1 This paper has been produced based on work undertaken by a cross-directorate working group of the following officers:

- Juliet Blackburn, Partnerships
- Lucia Scally, Adults Services
- Rick Howell, Children's Services
- Guy Kilminster, Health and Wellbeing
- Jez Goodman, Places
- Zandra Neeld, Partnerships
- Maureen Groppe, Partnerships

8.2 Following the discussion on community and voluntary sector funding at an informal Cabinet meeting on 19th July this group was set up 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 we will consult with the sector during September to January as part of business planning. This is with a focus on using existing mechanisms as much as possible.
3. Agree our approach to funding for the sector for 2011/14 eg will we have consistent reductions across all services or a differentiated approach, how can we be consistent in our contracting arrangements including monitoring requirements.

8.3 Before providing the overview it is important that the following points are noted:

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 initially pool information on a broad range of funding, and will then decide any areas which are outside the scope of the review.
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 – requests for in-kind support are likely to increase.
4. Funding for events and sponsorship was initially outside the scope of this review, but has now been incorporated.
5. Work with providers in Adults and Children and Families also has an expectation of the provider bringing additional value to the contracted service.

8.4 Overview of current funding arrangements

The information collated to date has identified that the bulk of community and voluntary sector funding is within Adult Services, Children's Services and Partnerships:

8.4.1 Adults Services

- Approximately £1.6 million
- All funding is commissioned and contracting arrangements are in place
- Funding levels were reduced at the start of this year and are likely to be reduced next year
- All organisations have been informed of likely reductions to their funding next year with the potential of a longer contractual arrangement following further commissioning focusing on prevention and early intervention
- A number of groups and forums are used to consult with the sector eg LINKS, the Older People's Network, Mental Health Alliance

8.4.2 Children's Services

- Approximately £980,000
- Funding is focused on targeted services and has contracts including a service specification
- Funding levels were reduced at the start of the year and are likely to be reduced next year
- All organisations have been informed of likely reductions to their funding next year
- Consultation and communication with the sector takes place through the children and young people Community, Voluntary and Faith Sector Hub
- The need for in-year cuts has been avoided, however, Connexions funding has reduced and this includes some funding they gave to the community and voluntary sector

8.4.3 Partnerships

- Approximately £900,000
- There are 3 types of funding
 - Community Grants £160,000
 - Infrastructure (or core) funding for CABs, CVS, ChALC and Cheshire Community Action £540,000
 - Strategic grants £140,000
- Contracts are in place for the infrastructure grants
- All organisations have received a letter informing them that grants are being reviewed and therefore they must not assume a similar level of funding for next year
- Approximately £60,000 has been paid this year (for the final year) to parish councils in Crewe and Nantwich, continuing an arrangement which existed prior to LGR
- Communication takes place with organisations on an individual basis, and also via CVS Cheshire East

8.4.4 Places

The Places directorate has very little funding which is comparable to the type of community and voluntary funding in Adults, Children's and Partnerships.

- Economic Development has a grants budget of approximately £180,000 but most of this is not for community or voluntary groups eg it includes grants such as £40,000 to the 4 town partnerships in former Congleton, £20,000 to the Macclesfield and South Cheshire Chambers of Commerce, and contributions to CWEC and 4NW operating costs.
- This grant pot was cut by 30% at the start of this year and all organisations have been informed that further cuts are likely next year
- In addition Regeneration has approximately £500,000 of transport related funding for organisations such as Dial A Ride and Community Rail Partnerships

8.4.5 Health and Wellbeing

Health and Wellbeing also has little funding which is comparable to the type of community and voluntary funding in Adults, Children's and Partnerships.

- There is a pot of approximately £55,000 which includes organisations such as Nantwich and Congleton Museums, and Clonter Opera. There is also a grant of £126,000 for Macclesfield Silk Heritage Trust
- Communication takes place with individual organisations, and all have been informed that grants may be cut next year.

8.5 Next steps

The working group will:

1. Refine the current list of funding/grants and check that all relevant funding has been included across service areas.
2. Consider combining the Partnerships strategic grants with Children's and Adults commissioned funding.
3. Ensure a joined-up approach to all organisations which currently receive funding from more than one service area (these have already been identified).
4. Identify areas where levels of funding cuts need to be consistent.
5. Develop consistent approaches to contracting and performance management.
6. Continue to use the communication channels identified above to ensure a clear message to the sector and to individual organisations.
7. Work with CVS Cheshire East to organise a budget engagement/consultation event for the sector in November (this has already been agreed with the CVS).
8. Gather information from partner organisations on their community and voluntary sector funding and approach for next year – PCT, Police and Fire have already been approached.

8.6 ***Future Areas of Work***

The working group has identified that a community/voluntary sector commissioning strategy for the Council might be useful, but this is not a priority for this year. The group has also identified the need to develop a clearer focus on prevention in the way we commission the community and voluntary sector. This could be developed further in 2011/12.

9.0 **Access to Information**

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

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