

**DECISION OF THE STRATEGIC MONITORING COMMITTEE ON 12 JANUARY 2005
RELATING TO THE REVIEW OF SUPPORT TO THE VOLUNTARY SECTOR.**

RESOLVED:

- That: (a) recommendations as set out in the Executive Summary of the review of Council support to the community and voluntary sector, as set out in appendix 1 to these Minutes be approved, forwarded to Cabinet for consideration and also made available to the Budget Panel WITH THE EXCEPTION OF RECOMMENDATIONS 21 and 22 and SUBJECT TO:**
- (i) in relation to recommendations 9 and 14, Cabinet being requested to give careful consideration to the role of Local Members and ways in which the relevant Scrutiny Committee Chairman could be involved in the consideration of grant applications prior to a decision being made;**
 - (ii) in relation to recommendations 15-19 relating to use of service level agreements it being emphasised that arrangements should be made to ensure that such agreements should be proportionate and as simple and flexible as possible taking care to avoid overburdening and hindering voluntary organisations;**
 - (iii) it being noted that periods of notice referred to in recommendations set out in the review would require adjustment if it was decided to proceed in issuing such notices.**
- (b) Cabinet be recommended to seek further evidence to inform its decision in relation to recommendation 21 and the associated recommendation 22 noting the Committee's rejection of these recommendations on the grounds that there was insufficient evidence in the review report to support the recommendations;**
- (c) that if consideration is to be given to reducing funding to the Community and Voluntary Sector in preparing the Council's 2005/2006 budget regard be had to the recommendation that this be done in stages as set out in section 8 of the review report, as reflected in appendix 2 to these Minutes.**

**RECOMMENDATIONS OF THE REVIEW OF HEREFORDSHIRE COUNCIL SUPPORT TO
THE COMMUNITY AND VOLUNTARY SECTOR AS SET OUT IN THE EXECUTIVE
SUMMARY**

GENERAL

1. That support to the Community and Voluntary sector should be properly recorded where officers complete individual work programmes and time recording sheets.
2. That market testing of service options be considered or takes place in appropriate service areas.
3. That a Council Community and Voluntary Sector support strategy be drawn up and adopted as soon as possible.
4. That individual Council Departments examine the scope for including the Community and Voluntary Sector in achieving their strategies' objectives.

VOLUNTARY SECTOR GRANTS

5. That the current funding by percentage guideline allocations be discontinued.
6. That the current two annual bidding rounds be replaced by a single bidding round. Alternatively, that voluntary sector grant applications be made on a rolling basis and considered at quarterly intervals.
7. That funding for more than one year should not be provided by grants but through Service Level Agreements where appropriate.
8. That grant applications be considered on merit against criteria, which have been revisited, strengthened and made more transparent.
9. That once the grant criteria have been revised the allocation of grants be delegated to officers, with the relevant Cabinet Member being consulted, along with the local Member where appropriate, in line with best practice of similar grant schemes operated by Herefordshire Council.
10. That the Voluntary Grants Scheme monitoring system be made more robust to facilitate a detailed evaluation of the effective use of grant funding, and its impact on Herefordshire and its residents.
11. That individual managers be made responsible for monitoring the satisfactory performance of grants relating to their service areas. That grants be conditional and only given in return for agreeing to meet a range of responsibilities.

12. That a limited amount of funding, to be agreed by the Cabinet Member, be ringfenced for the areas of greatest need within Herefordshire as measured by the Index of Multiple Deprivation Super Output Areas.
13. That funding be conditional upon the organisation in receipt of a grant having diversity and equal opportunities policies in place, which are acceptable to Herefordshire Council.
14. That an appraisal panel replace the practice of single officer appraisal of grant applications.

Service Level Agreements

15. It is recommended that SLAs be established with organisations that receive significant support (such as Age Concern), but that this be reviewed once the CVS support strategy has been approved.
16. That Service Level Agreements be made more specific and linked to required and measurable outputs and outcomes.
17. That clear and robust criteria be introduced against which Service Level Agreements should be monitored.
18. That any new or renewed Service Level Agreements be drawn up using the checklist of headings and guidance as outlined in this report.
19. That rolling Service Level Agreements should not routinely be entered into, but be used where this is appropriate.

Infrastructure Organisations

20. That the Council endorses Community and Voluntary services continuing to be provided locally.
21. That funding for Community Voluntary Action Ledbury & District be withdrawn at the conclusion of the existing Service Level Agreement on the 31st March 2005, as there is no economic justification for supporting Community Voluntary Action Ledbury & District as a separate organisation.
22. That such notice to Community Voluntary Action Ledbury & District be given as early as possible.
23. That no more projects be awarded to Community First without a competitive tendering exercise taking place, and that this should apply to existing projects where the appropriate notice can be given.
24. That Herefordshire Association of Local Councils be warned of the implications of not meeting their Service Level Agreement monitoring requirements. In the event that Herefordshire Association of Local Councils fails to provide the monitoring information as outlined in the Service Level Agreement action be taken to terminate the Service Level Agreement.
25. That the Compact agreement between the PCT, the Social Care and Strategic Housing Directorate (the Council) and the Alliance should be reviewed according to

the terms in the COMPACT and by the Joint Health and Social Care Commissioning Group.

26. That collaborative working arrangements be pursued with Citizens Advice Bureaux, ABLE and Welfare Rights Team, but if this is not achievable that the Welfare Rights Team service be market tested.
27. That the Council continues to fund Citizens Advice Bureaux at least at existing levels whilst the option of partnership working with ABLE and the Welfare Rights Team are explored in more detail.
28. That suitable parcels of work involving community activity be tendered, such as community surveys or activities along the lines of Planning for Real exercises.
29. That the Race Equality Partnership be asked to consider the transfer of the service to the Community and Voluntary Sector. This can probably be best achieved by commissioning the activity with an individual Infrastructure organisation, or undertaking a market testing exercise.
30. That the Strategic Housing Department places more of a rural focus into the job description of one of its current Housing Officers.
31. That the Herefordshire Council Lifelong Learning Development Unit considers the scope for using the Community and Voluntary Sector to deliver a larger proportion of adult learning activity.
32. That some services be considered for market testing either for provision by the Community and Voluntary Sector or to be retained in-house. These are:
 - Work that involves going out into the community.
 - Parish plans consultation.
 - Community Development Co-ordinator.

Recommendations of the Review of Herefordshire Council Support to the Community and Voluntary Sector as set out in Part 8 of the Report giving the Review Team's views on action the Council might take in relation to the funding challenges in setting its 2005/2006 and future budgets

The Council could conclude that the CVS also needs to face some reduced funding. If this were to be the case the Review Team strongly recommends that this should not be done arbitrarily with, for example, an across the board reduction. To do so could risk the financial collapse of at least one key organisation.

If funding is reduced the Review Team recommends that this be done in stages, as follows.

- a) Suspension of the Voluntary Sector Grants scheme. This would achieve a saving of up to approximately £160,000 per annum. In theory this would have the least impact on the CVS, as grant funding was always intended to be one-off support for new projects. We stress the words "in theory", as the review showed many organisations have become overly reliant on this funding. However Age Concern receives funding of around £29,000 per annum from the Voluntary Grants scheme. The Review Team did not specifically look at this support as Age Concern is not an infrastructure organisation nor does it have an SLA with the Council. It was therefore outside the terms of reference of the review. A number of references were made to us about the apparently disjointed structures of Age Concern in Herefordshire. Support for Age Concern needs to be separately examined.
- b) We have already recommended the withdrawal of CVALD funding of approximately £10,000 per annum. This should be retained until a Herefordshire wide Voluntary Action body is established and a new SLA agreed using the funding currently allocated for HVA and CVALD. It should be possible to agree an overall modest reduction, by negotiating with a whole County Voluntary Action body, as there ought to be some economies of scale.
- c) Community First costs are thought to be excessive and a reduced level of funding should be offered for the same level of service in relation to project activity. Community First should agree to cost reductions or a reduction in core funding support should be implemented. In such an event Community First services should be put out to tender wherever possible.
- d) The Review Team recommends that there be no reductions in funding to the CAB. Indeed there is Review Team support for examining the scope for increasing CAB funding in the short-term. This position should be reviewed as part of an exercise to examine partnership working with CAB, ABLE and Welfare Rights.
- e) The Welfare Rights Team has not provided evidence of value for money from their service, and it is recommended this service be market tested if partnership working with CAB, ABLE and Welfare Rights is not successful.

- f) The Review Team recommends that there be no short-term reductions in funding to HVA but that this position be reviewed as part of the intention to support a single Countywide Voluntary Action body.
- g) The Review Team recommends that there be no reduction in funding to HCVYS. This body has demonstrated it offers value for money.
- h) The Review Team recommends that there be no reduction in funding to HALC, on the limited evidence we have that it offers a good service. The Review team stresses that this recommendation is conditional on HALC meeting the terms of its SLA. The Council should consider removal of funding if HALC fails to comply fully with its SLA.
- i) The Review Team recommends that there be no change to the SLA with ALLIANCE. This 5-year SLA has only been in existence since the 1st April 2004, and it is inappropriate to alter an agreement so soon after signing.