

Review of Herefordshire Council Support to the Community and Voluntary Sector

**As presented to the
Strategic Monitoring
Committee on 12th
January 2005**

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EXECUTIVE SUMMARY

Recommendations

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.

3. INTRODUCTION

3.1 Background to the review

- 3.1.1 In March 2003 Herefordshire Council's Social and Economic Development Scrutiny Committee agreed terms of reference for a review of support to the Community and Voluntary Sector (CVS) provided by Herefordshire Council. Some data collection work was subsequently undertaken, but the review work was not progressed. This was largely because of other work pressures as a result of unavoidable staff changes.
- 3.1.2 On 9th February 2004 the Strategic Monitoring Committee agreed that a review of CVS support be undertaken, using graduate placements. (See Appendix 1). A subsequent detailed scoping exercise highlighted that the work required was much more demanding than originally envisaged and beyond the experience of the graduate placements. It was also unlikely to be completed in the time available to them. Consequently in early April 2004 the task was assigned to a Review Team comprising Members and Council officers. (The membership of the Review Team is detailed in Appendix 2).
- 3.1.3 Three officers from the Review Team (led by Glyn West, with support from Catherine Winsor and Ed Hughes) undertook much of the detailed work, with support from Annie Brookes as the Community Regeneration contact. Other Review Team members made significant contributions in specific areas.

3.2 Scope of the Review

The scope of the review is detailed in Appendix 3. From the outset it was necessary to limit the areas to be reviewed, e.g. by excluding personal social care, as some of the areas are to be examined by separate Best Value reviews. In addition the review excluded funding for the CVS from third party sources such as European funding or Single Regeneration Budgets. During the course of the review we excluded recycling and community transport, as these areas provide a contractual benefit to the Council and not the CVS; the Courtyard, as it is the subject of a separate review; and Halo Leisure Trust, as it is not considered strictly a Voluntary or Community organisation within the scope of this review.

3.3 Conduct of the Review

- 3.3.1 The Review Team gathered large amounts of data to establish a baseline position, which included an extensive benchmarking exercise. The term benchmarking has many definitions. At its widest it is concerned with making informal comparisons and borrowing good practice. However, benchmarking can also be a specific performance improvement tool and a way of measuring services against the best in the field.
- 3.3.2 It was clear from the outset that it would not be possible to make exact like for like comparisons between Local Authorities. This was because some Local Authorities provide services directly rather than using the CVS, or in some cases do not fund a particular activity at all. A number of Local Authorities were unable to provide the complete data required, and in some cases they were unable to

break down figures in the way we required them. The information obtained was however robust enough to allow us to reach some general conclusions as to the extent of CVS support provided by Herefordshire Council in comparison to other Local Authorities. This suggests that the Council is relatively generous in its support of the CVS when compared to a number of similar rural Local Authorities. Fuller benchmarking details can be found in Appendices 4 and 5.

3.3.3 The Review Team initially sent a questionnaire to the New Unitaries Benchmarking Group, to enable the Council's support of the CVS to be compared against other Authorities.

3.3.4 Herefordshire Council is a member of the New Unitaries Benchmarking Group, which comprises 10 Unitary Authorities that share similar characteristics. It was hoped this group would give the best comparable data.

3.3.5 In April 2004, a questionnaire and a copy of the scope of the review was sent to named contacts at the 9 other Councils that are members of the group: These were:

Bath & North East Somerset	North Somerset
Darlington	South Gloucestershire
East Riding of Yorkshire	Telford & Wrekin
Isle of Wight	West Berkshire
North Lincolnshire	

Follow up emails were sent in May, but only four replies were received from the group.

3.3.6 In June the Review Team decided to widen the survey to the following rural Council areas:

Cornwall	Northumberland
Cumbria	Powys
Devon	Shropshire
Dorset	Worcestershire
Monmouthshire	

A total of 50 County, Local, District & Borough Councils, and Unitary Authorities were subsequently sent a copy of the questionnaire. Disappointingly only a further 8 responses were received. A table showing the results received can be found in Appendix 4.

The Review Team recognised from the outset that it would be difficult to produce like for like comparable data. The reasons for this include:

- Some Authorities were only able to provide partial questionnaire returns.
- Authorities do not have the same pattern of services, with more services provided in-house than Herefordshire Council.
- Some of the information could not be broken down to separate grant support to the voluntary sector from other grant support to the Business sector.
- The definition of what constitutes in-kind support has been the subject of on-going debate and interpretation.

- 3.3.7 Nevertheless the Review Team was able to reach general conclusions. We consider that Herefordshire Council is generous in the support it gives to the CVS. We recognise that these sectors are less developed elsewhere and this has an impact on the level of support given. Based on this limited comparative data we have concluded there is no overwhelming case for Herefordshire Council to provide extra resources to the CVS.
- 3.3.8 As the review progressed the Review Team then drew up a simple questionnaire to specifically look at levels of funding for infrastructure organisations, in an attempt to benchmark Herefordshire Council's performance in this area. This was sent to all of the 59 Councils, who were questioned previously. The simpler type of questionnaire produced a greater response rate. A table showing the results received can be found in Appendix 5.
- 3.3.9 Heads of Service and Service Managers across the Authority were asked whether they provided any support to the VCS from their Council budgets, within the scope of the review. Support was defined as specific grants, Service Level Agreements (SLAs) (not including statutory provision) and any in-kind assistance (such as free or subsidised use of accommodation). Estimates of Council officer time spent monitoring and supporting the CVS have been included in the table of support (Appendix 6). However, Infrastructure organisations felt the total funding figure was not wholly support given to them, but included the administration cost of monitoring their Service Level Agreements. They argued that time spent meeting the Council's monitoring requirements gave them less time to deliver services. There was empathy for this view from a number of Council officers interviewed.
- 3.3.10 The Review Team has based Council officer support costs on their existing grades and salaries. These will of course be subject to change as a result of the job evaluation exercise, but for the purposes of the Review existing salaries have been used.
- 3.3.11 Smaller amounts are not shown in detail in this table (except business rate relief), and usually relate to support including reduced room hire rates, photocopying, expenses, officer advice and free publicity. The sum total of this support amounted to £2,244, and is included, but listed as a de minimis item.
- 3.3.12 The wider Review Team met on five occasions to consider progress, to agree the further work required and to approve recommendations for the final report. Three meetings were also held with the elected Members on the Review Team to report on activities, to seek views on provisional findings and to secure support for the report's recommendations. Records were kept of all these discussions.
- 3.3.13 The review itself was crosscutting in nature, and involved holding semi-structured interviews with appropriate Council officers, Managers, Heads of Service and Directors. In addition semi-structured interviews were held with representatives of most of the Infrastructure Bodies, along with key CVS organisations that receive substantial Council funding. In total some 42 interviews took place over a 7-month period (see Appendices 7 and 8). Standard

questionnaires were sent in advance to obtain specific information and to allow Infrastructure organisations an opportunity to consider their responses.

3.3.14 Officers identified as providing CVS support had a monetary estimate calculated for their time involved. They were sent a standard questionnaire to gather detailed information on the support they provided. They were challenged over the effectiveness of their monitoring activities, and questioned over policies and procedures surrounding the Council's support to the CVS. A copy of the standard questionnaire is shown at Appendix 9. On receipt of their responses, the Review Team decided if a one-to-one interview with the officer was required to discuss their answers in more detail. It was not necessary to interview some officers, as their support was minimal or their answers were straightforward. When a structured interview was held with an officer, a further individual list of questions was drawn up based on the officer's original response to the questionnaire. During the discussions further standard questions were raised to ensure a degree of consistency in approach. Once again records were kept of all these discussions.

3.3.15 A meeting was held at the outset with infrastructure organisation representatives to outline the scope of the review and to set out how the review would be conducted. It allowed us to hear their initial concerns and in some cases to modify our approach to address those issues. It was initially hoped to hold a further meeting with the infrastructure organisation representatives to share our draft findings. Unfortunately there was insufficient time to do this. Infrastructure organisations were therefore asked to confirm the accuracy of our factual data.

3.4 General issues

3.4.1 The CVS plays a vital role in Herefordshire. The Review Team literature survey identified a number of Government initiatives to encourage the expansion the role of the CVS. As an example Futurebuilders is a new £125 million Government investment fund for England, backed by the Home Office which aims to increase the role that the CVS plays in the delivery of public services. The Review Team agrees that everyone has a role to play in building strong, active communities. The National Council for Voluntary Organisations has pointed to a change in the relationship between Government and the CVS, which is particularly evident in the Government's approach to public service delivery, and the role that the CVS can play in delivering services. The Government has identified the sector as having a vital link to socially excluded communities because they have developed trust by filling the gaps between mainstream services. A number of trends are emerging, such as:

- Increasing demand for services and rising expectations
- Importance of choice and quality
- The emphasis on local public service delivery and user involvement
- Prevalence of performance management and improved accountability
- Strengthened competition amongst service providers
- Polarisation of the sector between those that deliver public services and those that do not, and between large charities and smaller organisations

The Review Team acknowledges these pressures, and welcomes the opportunity for the CVS to play a greater role in service delivery in

Herefordshire. That said, we do not consider Herefordshire Council can continue to be the first port of call for additional funding for the CVS. We believe the majority of CVS organisations will need to diversify their income streams so as not to depend so extensively on Herefordshire Council funding.

- 3.4.2 The Government has set a target to improve public service efficiency by 2.5% a year from April 2005 to March 2008. This is to be done in accord with the findings of the Gershon review into public service delivery. Set against these increased expectations the Review Team recognises that the provision of increased Central Government resources is highly unlikely. The Review has been undertaken on the working assumption that there will be no growth in Council support for the CVS for the foreseeable future.
- 3.4.3 During the course of Council officer interviews the Review Team identified a failure by almost every Council Department to be able to identify time spent by officers working on support for the CVS. We were generally unable to access time recording information, and there was an absence of individual work programme data to help us assess the amount of staff time spent on this activity. This is a significant weakness, not least in terms of performance management. There are also considerable variations between and within Directorates as to how work is recorded, which range from minimal data to reasonable levels of detail. This may be a wider issue for Herefordshire Council than in relation to this review alone.
- 3.4.4 As a result the Review Team has been unable to properly calculate how much officer time is involved in supporting the CVS. We have had to use estimates of time, to some extent based on a best guess by officers. Whilst recognising there is a cost of recording such activity the Review Team considers the lack of this information is unsatisfactory.
- 3.4.5 Most of the organisations interviewed requested that their responses be kept confidential and not disclosed to third parties. After consideration this was reluctantly agreed, because it led to more openness in the semi-structured interviews and there was a willingness to comment critically on the activities of other organisations. It does mean however that in order to maintain this confidentiality we are not usually able to indicate within this report where specific criticisms of organisations have come from.
- 3.4.6 The Review is most appropriately described as a Service Improvement Review, which contains the elements of the Best Value review guidelines, (comparison, consultation and challenge) with the exception of addressing competitive testing of service options. Nevertheless the Review did identify that market testing may be appropriate in some service areas. If agreed this would require an additional piece of work that is outside the scope of the Review.
- 3.4.7 More significantly, there is no overall Council strategy in place for CVS support. During the interview process we discovered that there is no common view as to why the Council supports the CVS. Some responses were that we provide support because we have always done so. Others believed that support was needed because volunteers would always be able to provide services more cheaply than direct Council provision. There was a comment that such support was helping to meet the ambitions of the Herefordshire Plan.

- 3.4.8 The Review Team suggests the Council cannot demonstrate it is achieving best value if it is not clear why the sector needs support and what objectives that support should fund. The interview process identified there is no clarity amongst Council staff as to the purpose of funding the CVS. As a result virtually every grant application claims to be eligible as CVS activities. The absence of a CVS support strategy against which we can measure activity has presented us with fundamental difficulties.
- 3.4.9 It is difficult to map the full extent of Council CVS support in Herefordshire. The Review Team struggled to make accurate like for like comparisons with Infrastructure organisations within and outside the County. Earlier this year Worcestershire County Council began a Best Value review of the CVS, which is still ongoing. They state that there is a considerably more complex degree of comparison required than a straightforward review of other Council services. They have concluded that there are limits to the amount of comparative data that can be used to make judgements on the value for money obtained from the Community and Voluntary Sector.

4. VOLUNTARY SECTOR GRANTS SCHEME

- 4.1 Herefordshire Council has operated a Voluntary Sector Grants scheme since it came into existence in 1998. £500,000 a year has been allocated by the Policy & Community Directorate, in addition to substantial in-kind support. Of this sum approximately £160,000 is allocated each year to voluntary sector organisations as grants and the remainder is used to fund Service Level Agreements with Infrastructure organisations.
- 4.2 A list of grant awards from 2002 to 2004 is detailed in Appendix 10.
- 4.3 The Voluntary Sector Grants scheme has largely followed the historical funding arrangements of the former District Councils. Grants have been allocated against service areas using the following budget percentage allocations as guidelines:

CATEGORY	Guideline Percentage Allocation
Arts	23.96%
Environment/Countryside	2.27%
Play	1.22%
Youth	12.43%
Community	55.40%
Heritage	2.05%
Sport	2.66%
TOTAL	100% (Rounded)

There is no strong case for retaining these percentage allocations, and there was particular criticism from a number of people interviewed that the percentage allocation guidelines could not be justified. There were cases made for keeping, and indeed increasing the proportions for individual service areas.

- 4.4 The Review Team considers grant applications should be considered on merit against agreed criteria. It should be recognised from time to time there are likely to be advantages in funding particular service areas disproportionately. The Review Team recommends the current funding by percentage guideline allocations should be discontinued.
- 4.5 There are two annual bidding rounds, which aim to allocate 80% of funds in the first round. Applications have to be submitted by early January each year for the first round of funding. Successful applicants receive offer letters each April. The remaining 20% is allocated in the second round. Applications have to be submitted by the end of March for second round funding. Successful applicants receive offer letters in early June. Bids are always heavily oversubscribed in relation to funding available. There is no justification for two annual bidding rounds with the associated duplication of time spent administering the scheme.
- 4.6 The Community Regeneration Team (CRT) administers the scheme, which takes up a small amount of staff time (representing up to 7 hours per week). The CRT provides much more support to the CVS, and keeps acceptable work programme and timekeeping records.

- 4.7 A number of CVS organisations continue to receive grants year on year and have come to rely on this funding to continue their operations. The grants are often used as evidence of match funding for other project applications. This is an undesirable situation, and far removed from the original aim of grant support, which was to provide one-off funding for CVS activities. The Review Team was told that other organisations did not apply for funding, as they believed the grants would continue to be fully allocated to existing organisations. There appears to be some truth to this, as the Review Team noted there were few applications for new projects.
- 4.8 Grants should only be approved on condition that future funding will not be available from the Voluntary Sector Grants scheme. A argument was made that in some instances where new services had been set up there could be a case for providing funding over two years with a smaller amount of funding (tapering) being offered in the second year. It is considered that in this exceptional event funding should be agreed using a Service Level Agreement. In this way normal grant funding will continue to be for one year only with no funding in the second year. Funding for more than one year should not be provided by grants.
- 4.9 It was also noted that a number of individual Council strategies fail to consider the role of the CVS and its potential contribution in delivering strategy objectives. This situation reflects poorly on the Council. A suitable CVS support strategy should be drawn up and adopted as soon as possible, and individual Council strategies should examine the scope for including the CVS.
- 4.10 There is no robust Voluntary Sector Grants monitoring system or evaluation of the impact of grant funding, which means the Council cannot demonstrate these funds are being used effectively. Monitoring does take place, but the Review Team considers this is weak because information is only required at the conclusion of the scheme. This means the Council is often unaware when problems arise during the course of projects. The Review Team also identified a lack of clear criteria and expectation against which grants are being monitored.
- 4.11 We are therefore unable to find evidence that either agreeing a substantial increase or decrease in Voluntary Sector Grants funding is making a significant difference to Herefordshire residents. In addition there is very limited evaluation information available when further grant applications are received in the following year's bidding rounds.
- 4.12 The eligibility criteria for the Voluntary Sector Grants scheme are included in Appendix 11. The criteria used to approve applications are inadequate, and there are no clear explanations given to justify the individual sums approved for each grant application. We were advised by one Infrastructure organisation of their discontent with funding decisions and of their concern the Council could not objectively justify the funding allocations using the grant criteria. We were also asked to recommend putting an appeals system in place to challenge decisions made. The Review Team does not however accept that an appeals process is justified. There will always be some debate over grant approvals, particularly from unsuccessful applicants. There are however practical problems. If Herefordshire Council allocated all the funding available at the outset where would additional funds come from if an appeal were upheld?

- 4.13 No criteria exist to target a proportion of grant funding activity in the areas of greatest need, as measured by the Index of Multiple Deprivation. A case has been made for ring-fencing some Voluntary Sector Grant funding. There is also no requirement within the criteria for the grant recipient organisations to have equal opportunities and diversity policies in place. The grant application form does ask if the organisation has an equal opportunities policy, but no procedures exist to check if these are actually observed. It was noted that organisations without such policies might still be awarded a grant, subject to a grant condition that such a policy be implemented.
- 4.14 All grant funding should be conditional upon the organisation in receipt of a grant having diversity and equal opportunities policies, which are acceptable to Herefordshire Council.
- 4.15 The Review Team looked at the Voluntary Grants applications appraisal arrangements, and learned that applications are forwarded to officers with expertise in the area concerned. For example, the Community Youth Service Manager appraises young peoples' projects. We observed that applications for this area of service require the beneficiary organisation to have child protection policies in place. However the Review Team does not consider a single appraiser will always have the expertise to confirm the adequacy of such policies. The Review Team recommends that the practice of single appraisal be replaced by consideration from an appraisal panel, and commends the good practice example of panel appraisal currently used by the area based programmes.
- 4.16 Herefordshire Council should ensure the existing criteria is revisited, strengthened and made more transparent. If this is implemented the allocation of grants should be delegated to officers. However to ensure Members are still involved with individual applications the Review Team recommends that the relevant Cabinet Member be consulted over each application along with the local Member where appropriate. This arrangement for Member involvement works well with the Community Buildings Grant scheme. The CVS should be involved in helping to determine the grants criteria, but not the grants decision-making process.
- 4.17 Once funding is awarded individual managers should be made responsible for grant performance relating to their service areas. Grants should be conditional and only given in return for agreeing to meet a range of responsibilities. For example, the Cultural Services Manager should be made responsible for any grant funding given to cultural organisations. The Cultural Services Manager should be required to agree a range of desired outputs and outcomes from the grant recipients. These activities should help to achieve the objectives set within individual strategies as well as the wider Ambitions of the Herefordshire Plan. Individual managers should also consider whether Service Level Agreements might be more appropriate in some circumstances. This would be subject to funding being available.

5. SERVICE LEVEL AGREEMENTS

- 5.1 There are at least 12 Herefordshire Council Service Level Agreements (SLAs) currently in use that set out our support to the CVS. Christine Wright, Principal Lawyer, was the legal representative on the Review Team, who examined each of them. It was apparent that as contractual documents most SLAs are unlikely to stand up to any legal challenge. The Review Team believes that Herefordshire Council's SLAs are not adequate.
- 5.2 The Review Team did not conduct interviews with every CVS organisation that has an SLA with Herefordshire Council. It was not felt appropriate to undertake this work until the Council had agreed its CVS support strategy. It is recommended that SLAs with organisations that receive significant support (such as Age Concern) be revisited once the CVS support strategy has been approved.
- 5.3 The Review Team undertook a literature survey as part of the review and identified a judicial review outcome that quashed a recent Leicester City Council decision to cut CVS funding. This ruled that the Authority had failed to properly consult with CVS organisations prior to taking the decision to cut funding. The Review Team is concerned that provision within SLAs to terminate agreements are not robust in all cases.
- 5.4 The SLAs contain very different wording, paragraph headings and are of varying lengths. Some SLAs do not even contain basic information such as payment arrangements, or targets. The Review Team found that there was no standard SLA document in existence for use across the Council. There is in most cases an absence of information within the SLA which clearly sets out each of the parties' responsibilities or which specifies the consequences of non-performance.
- 5.5 During their interviews the Review Team asked Council officers about these variances in their SLAs. Some agreements date back several years, often before the 1998 Local Government Reorganisation. A few SLA documents are based on those terms proposed by the beneficiary organisations; other agreements were prepared in an ad hoc manner and contain only what was thought necessary at that time to meet the services' particular needs. It should be noted that some officers have been aware of these shortcomings. We were advised that because a review of the voluntary sector had been expected for some time officers were awaiting the outcome of the review before revisiting their SLAs. Officers would be looking for SLA guidance from the review's outcome.
- 5.6 Infrastructure organisations also find difficulties working with a majority of our SLAs. One organisation interviewed was unhappy with different requirements from the same Council Directorate. One organisation wanted a more demanding SLA, on the grounds that it would be easier for them to evidence good performance if the SLA requirements were more explicit. We also listened to an opposing view, which suggested less specific SLAs gave organisations much more flexibility to deliver services as needs changed. The Review Team challenged this approach, and considered SLAs should be more specific. We

recommend funding via SLAs should be more closely linked to required and measurable outputs and outcomes.

- 5.7 The CRT monitors a number of SLAs with key Infrastructure organisations. It undertakes a limited amount of monitoring, but the Review Team found this was weak, partly because there was a lack of clear criteria against which SLAs should be monitored. The Review Team feels this situation is unsatisfactory. Our concerns are with the current Council SLA monitoring systems, as it has not been possible to form comprehensive judgements about infrastructure organisation value for money and beneficiaries' satisfaction using the existing monitoring information alone as set out in the SLAs.
- 5.8 The Review Team looked at developing a comprehensive model SLA, initially to be drawn up by the Council's Legal Section. However, during the course of our Council officers interviews it became apparent there was a danger the comprehensive model SLA would become too onerous and complicated, and could divert disproportionate resources away from service provision into SLA monitoring activities. It could also deter CVS organisations from entering into SLAs with the Council.
- 5.9 As an alternative the Review Team proposes the adoption of a checklist of standard headings, accompanied by some brief text. Council officers and Infrastructure organisations welcomed this approach. These could be used flexibly by services, depending on what is required, but still be robust. (See Appendix 12). The Review Team recommends that the SLA checklist be adopted for all SLAs and introduced as they become due for renewal.
- 5.10 Further SLA information can be found in Appendices 13, 14 and 15.
- 5.11 There was also enthusiasm for introducing rolling SLAs, from Infrastructure organisations and a number of Council officers. These would be agreed for an initial period, usually three years, and reviewed after year one. If performance were satisfactory the SLA would be rolled over for a further year, leaving the SLA, in this example, with still another three years to run. Such arrangements offer more security to Infrastructure organisations, particularly in terms of budget planning and employee job security. Council staff are also relieved of the task of negotiating SLAs as frequently. The rolling SLA would still allow for discontinuation of funding in the event of non-performance. There are however some drawbacks to rolling SLAs. It requires Herefordshire Council to effectively guarantee funding for longer periods, which may not be desirable if service changes are planned. There is also a risk that such arrangements may lead to a degree of complacency over service provision.
- 5.12 The Review Team recommends that rolling SLAs should not routinely be entered into, but that they should be used where this is appropriate.
- 5.13 Questions were asked during interviews to seek views on the minimum and maximum values for SLAs as well as the maximum length of time SLAs should be entered into. There was no consensus amongst Council officers and Infrastructure organisations. At one extreme it was suggested an SLA was needed regardless of value if it was for a service lasting more than one year. At the other extreme one officer did not believe the cost of negotiating, drawing up

and monitoring an SLA was justified at a value below £25,000 per annum. Most of those interviewed suggested an SLA should last at least one year. The maximum length of time for a proposed SLA was five years, but the majority considered three years was about right. The Review Team does not offer a recommended optimum monetary value or timescale for SLAs. We consider it is best left to those with responsibility for SLAs to determine according to the needs of their service.

6. INFRASTRUCTURE ORGANISATIONS

- 6.1 The Review Team was asked to examine the services provided by the main Infrastructure organisations. The Review Team also looked at the SLA with the Citizens Advice Bureaux, as the Council provides substantial support to this organisation. In addition the Review Team was asked to look at support to the Voluntary Sector Assembly. Summary comments are detailed later, but more general issues are raised here.
- 6.2 During the structured interviews the Review Team was provided with draft guidelines for joint working with Community First, Community & Voluntary Action Ledbury and District, and Herefordshire Voluntary Action. We were told that these guidelines had been drawn up to establish joint planning and service delivery protocols between these three Development Agencies in the County. They were provided in confidence and are not therefore attached as an appendix. We do however refer to a limited number of areas in the guidelines.
- 6.3 Some Council officers have serious reservations over the value of the guidelines. They do not believe the proposed arrangements will lead to better support for the CVS in Herefordshire. The Review Team has studied the proposed guidelines and has concluded they are not robust. We consider that the relationship between some of the potentially competing Infrastructure organisations has been too comfortable. As an example we note that where conflicts arise external mediation may be appropriate. However this is subject to all parties voluntarily agreeing to participate, and there is no reference to any mediation outcome being binding. It is not clear what happens if two of the three organisations agree but the other organisation does not. Council officers feel any party can in theory refuse to accept the outcome. In our view the guidelines appear to focus on protection of the organisations concerned rather than the benefit of end users.
- 6.4 The development of a Local Compact will help to further explore the relationships of organisations within the CVS, and we recommend it should go further than the draft guidelines to produce clearer accountability.
- 6.5 The Review Team was later advised that the draft guidelines are not acceptable to one of the Infrastructure organisations, not least because they now consider them too complicated. A separate Infrastructure organisation was also unhappy they had been excluded from the opportunity to help develop the guidelines. This might not have been possible as the funding for this work was only related to the three Development Agencies, but it does point to some unease felt by other organisations over the draft guidelines.
- 6.6 All the Infrastructure organisations were given a list of questions to consider in advance of the structured interviews. They were then asked standard questions during the interview process itself. The comments below are not a comprehensive summary of the interviews, as this has confidentiality considerations, but they do identify key issues that arose during the discussions.

6.7 Community & Voluntary Action Ledbury and District

- a) Community & Voluntary Action Ledbury and District (CVALD) is a Local Development Agency which delivers the combined services of a Council for Voluntary Services and a Voluntary Bureau. In addition, they also deliver a number of volunteer based community projects for the Ledbury area.
- b) CVALD covers Ledbury Town and 23 surrounding parishes. To some extent they provide similar services to Herefordshire Voluntary Action. The Review Team was advised both CVALD and Herefordshire Voluntary Action seek to minimise duplication by operating within their defined wards. There are however some key differences, as CVALD does not provide outreach services.
- c) In our interviews a standard question was to challenge organisations to consider the option of running a unified Voluntary Action service across the County with a single administrative headquarters. CVALD expressed concern such an approach was contrary to a previous assurance from Herefordshire Council that it would not seek to influence the future structure of service delivery of CVS infrastructure functions by use of the funding mechanism. The Review Team believes that although this position may have been justified in the past, it is no longer tenable, and that the scope of the review required it to consider merger options. CVALD argue such a merger is not desirable, and that it would have an adverse effect locally on their non-support staff, as well creating communications difficulties.
- d) CVALD were willing to consider co-location, as a means of delivering a better service, However, CVALD stated this would depend on factors such as which Council departments or other organisations were to be located in the same building.
- e) The Review Team also wished to obtain evidence of the effectiveness of the services provided. We were advised CVALD had undertaken its own satisfaction survey, and findings from the survey were being used to improve services. The Review Team was not given access to the survey results on the grounds of confidentiality. The Community Development Officer had previously been supplied with details of beneficiaries. Using this and the limited monitoring information available to us from the SLA the Review Team conducted a small satisfaction survey. Most responses indicated people were generally satisfied with the services provided by CVALD, with comments expressing satisfaction with the quality of CVALD advice, and with the community transport project. There were rather fewer criticisms, but these related to poor physical access to the building and the environment being less than businesslike.
- f) The Review Team is concerned there is no consistent service provision across the County, as Herefordshire Council has to deal with two separate Development Agencies, which duplicates the costs of monitoring these services. We also find that the Infrastructure organisations can compete for the same limited external funding opportunities. The Review Team believes this is wasteful, and may indicate to external funders the lack of joined up collaborative working in Herefordshire. Interviews with Council officers and

other organisations showed a large majority believed the existence of a separate Ledbury Infrastructure organisation was not in the best interests of Herefordshire.

- g) A standard interview challenge was to ask if there were any services provided by Herefordshire Council which could be better provided by the CVS. (We also challenged Council officers to identify services provided by CVALD that could be better provided in-house). CVALD did not identify any additional Council services that they wished to provide. The Review Team interviews with Council officers did not identify any CVALD services that would be better provided in-house. The Review Team stresses it is important to have CVS services provided locally.
- h) The Review Team does not believe there is any economic justification for supporting CVALD as a separate organisation. There is a strong case for having one single Voluntary Action organisation for Herefordshire. If achieved it will secure economies of scale, secure consistency of provision, and result in less monitoring and administration for Herefordshire Council. The Review Team recommends that funding for CVALD be withdrawn at the conclusion of the existing SLA on the 31st March 2005. The Review Team recommends that such notice be given as early as possible.
- i) CVALD was asked what would be the impact of a major reduction in funding. We were advised CVALD would seek funding from other sources. They stated the Council would thus have a reduced influence on the services provided by CVALD. It should be noted that the withdrawal of Council funding by itself would not mean the demise of CVALD. The Review Team nevertheless recommends that Herefordshire Council makes clear that the current pattern of provision is not in the best interests of the County as a whole.

6.8 Herefordshire Voluntary Action

- a) Herefordshire Voluntary Action (HVA) is a Local Development Agency which offers advice, information and support to CVS organisations. It also provides information on and co-ordinates volunteering.
- b) HVA covers the whole of the County with the exception of Ledbury Town and its 23 surrounding parishes, which is covered by CVALD.
- c) HVA came into existence by effectively amalgamating all the County's local Voluntary Action organisations with the exception of CVALD. The Review Team welcomes this change, which has resulted in economies of scale and a more consistent service provision for most of the County.
- d) HVA was asked a range of standard questions including a challenge that services seemed to be duplicated between Infrastructure organisations. We were advised HVA avoid duplication of activity with CVALD by observing strict geographical ward boundaries for their service provision. This seems to be happening, although some services such as community transport activities naturally cross ward boundaries. The Review Team identified duplication of activity with Community First services. In response we were

advised regular meetings take place between HVA and Community First to ensure duplication is minimised. The Review Team noted an instance of service overlap provision in the Golden Valley, but this was subsequently resolved by a meeting between the two organisations. The Review Team welcome this outcome, but it does provide evidence that some duplication can occur.

- e) The Review Team did not have the resources to examine HVA's cost recovery and financial systems in great detail, but from the work done and from interviews with Council officers we are generally satisfied HVA charges are not unreasonable for the services provided.
- f) HVA was challenged to justify the continued existence of two Voluntary Action Agencies in the County. The Review Team did not feel HVA were opposed to the option to create a single unified Voluntary Action service across the County with a single administrative headquarters.
- g) HVA was asked what would be the impact of a major reduction in funding. We were advised the Volunteer Bureau and the core Community Voluntary Sector functions would be lost. Management would exist solely for projects; there would be no scope for development. We asked about seeking alternative funding. HVA stated that time would be needed to look elsewhere. A one-year period of notice would not be long enough to put together alternative funding applications and have the new arrangements in place. The Review Team were advised it would be necessary for HVA to cut staff, reduce costs and withdraw services.
- h) A standard interview challenge was to ask if there were any services provided by Herefordshire Council which could be better provided by the Voluntary Sector. HVA provided a number of suggestions, which are included in the list in section 6.9.
- i) The Review Team again wished to obtain evidence of the effectiveness of the services provided, and conducted a limited beneficiary survey. Fewer responses were received from the HVA questionnaire than any other Infrastructure organisation. However all the responses received indicated people were satisfied with the services provided by HVA. Comments included references to high quality staff and a good personal advice service.

6.9 Community First

- a) Community First is a Local Development Agency and Rural Community Council. It is an independent charity working across Herefordshire and Worcestershire supporting the work of local communities and Voluntary organisations.
- b) Community First was asked a range of standard questions including a challenge that services seemed to be duplicated between Infrastructure organisations. Community First replied that they offered some similar services, but they were actually complementary, such as transport schemes. In their view Community First had a more strategic role than the

other Herefordshire Infrastructure organisations and stated they employed specialist workers who were able to offer more in-depth advice. The Review Team structured interviews did not entirely support these Community First statements. There were concerns that the distinction between the strategic and delivery roles were blurred, and that there was a continuing service overlap between Community First and HVA.

- c) We indicated that during earlier structured interviews a number of comments had been made to the Review Team that Community First did not always operate collaboratively in the best interests of the CVS. We sought their comments, but this suggestion was strongly refuted.
- d) We outlined to Community First a statement made to us during our earlier interviews that the draft guidelines were not challenging in terms of joint working, and were the product of too comfortable organisational relationships. Community First also refuted this, and claimed the organisations involved worked hard to produce a very robust document, which had been facilitated by consultants.
- e) We challenged Community First with our view that joint guidelines might not be needed at all if the three organisations in Herefordshire were merged.
- f) Community First stated it was not possible to merge a Community Council with Voluntary Action organisations. Their solution was to have more effective joint working, and so achieve economies of scale. Community First argued they covered two counties and therefore had already secured economies of scale. Community First were however willing to discuss sharing back office functions as a means of cutting costs and improving services. The Review Team literature search was not able to confirm if a merger of Community Council with a Voluntary action organisation was actually impossible.
- g) We sought Community First's views on their SLA with the Council. We were advised that the SLA was not detailed but gave Community First flexibility, which had allowed them to obtain substantial match funding from Herefordshire Council's SLA. The flexibility was said to give more added value to Herefordshire Council. The Review Team does not accept this view, and more detailed comments can be found elsewhere in the report in Section 5 on SLAs.
- h) We asked for information on how Community First distinguished between core and management costs in their SLAs. We were advised Community First are no longer approaching core costs in this way. They have moved to the Full Cost Recovery Model, where individual project costs include an element of core costs. Community First is fully signed up to this change, as they consider it will enable their finances to become more transparent.
- i) The Review Team tested the value for money implications of this model in their structured interviews with Council officers and other Infrastructure organisations. The Full Cost Recovery Model approach has some merit and the Review Team understands why there is support for this approach.

- j) Community First was asked to identify services currently provided by the Council which they considered could be better provided by themselves. Their responses are included in the larger list detailed in Section 6.9.
- k) Community First were asked what would be the impact of a major reduction in funding. We were advised there would be a serious adverse impact on directly provided services to people on the ground. The organisation would survive, but there would be a withdrawal of provision to organisations in Herefordshire, such as the removal of signposting and funding advice, and village hall community building advice.
- l) From our Council officer interviews it emerged there was almost unanimous agreement that Community First management charges are thought to be excessive, and do not provide value for money. Our concern is that Community First charges are thought to be high in comparison to other Infrastructure organisations, and some posts may be better placed with other Infrastructure organisations or within the Council, rather than remain with Community First. The Review Team recommends that no more projects be awarded to Community First without a competitive tendering exercise taking place. We recommend this should also apply to existing projects where the appropriate notice can be given.
- m) The Review Team wished to obtain evidence of the effectiveness of the services provided, and conducted a limited beneficiary survey. Over 80% of respondents had a good impression of the services offered by Community First. There was however a small percentage of replies, which claimed Community First had problems with duplication of services, showed a lack of enthusiasm and were slow to respond.

6.10 Herefordshire Association of Local Councils

- a) Herefordshire Association of Local Councils (HALC) is a body which provides training, support and advice to Parish and Local Councils and their clerks.
- b) HALC was asked a range of standard questions including a challenge that services seemed to be duplicated between Infrastructure organisations. We were advised that HALC provided a more specialist service to a clearly defined group, (Parish and Town Councils) but there was some overlap with one other Infrastructure organisation in terms of giving advice. The same organisation had also offered training provision, which was in competition with HALC provided services. HALC considered this was not a desirable situation. We suggested this be resolved by dialogue but it might be possible to use stricter SLA terms to eliminate such overlaps.
- c) We challenged HALC to consider if there was scope for them to be co-located with other Infrastructure organisations in a single building, to achieve economies of scale. HALC were not opposed to this in principle, but they required assurances that any building identified would be accessible and secure, with a suitable area for meeting confidentiality needs.

- d) The Review Team wished to obtain evidence of the effectiveness of the services provided, and conducted a limited beneficiary survey. HALC suggested this could be measured indirectly, by looking to the high levels of HALC membership in the County. (95% of Herefordshire's Parish and Local Councils are members of HALC, which is much above the national average). Responses received were generally favourable, with comments on the quality of their training courses and helpfulness in providing advice on a wide range of topics. There was one repeated criticism, which related to staff being unavailable at the HALC building during office hours.
- e) HALC was asked what would be the impact of a major reduction in funding. We were advised HALC would have to increase membership fees, and this could lead to a loss of members. Even if fees were increased HALC indicated their services would also be reduced in the short-term. Herefordshire Council's Parish Council Officer would have to deal with more enquiries, and HALC doubted if there was sufficient expertise to respond adequately. HALC indicated that increased fees would lead to a higher precept and therefore a higher Council Tax charge.
- f) HALC was asked for views on their SLA with the Council. They welcomed the possibility of a checklist approach to drawing up SLAs. They felt that for the £10,000 they receive from Herefordshire Council too much monitoring and additional work was required. There had been meetings with Council officers and we were told it was had been agreed the monthly monitoring meetings would be reduced to quarterly. HALC had also drawn up a simpler work programme. We followed this up with Council officers and were advised HALC had consistently failed to meet the monitoring requirements of the SLA. The revised, monitoring requirements were the minimum needed for the Council to satisfy itself that HALC was providing services in accordance with the SLA. Unfortunately HALC were still not complying with the SLA. The Review Team recommends that HALC be warned of the implications of not meeting the SLA monitoring requirements. In the event that HALC fails to provide the monitoring information on time action should be taken to terminate the SLA.

6.11 Herefordshire Council for Voluntary Youth Services

- a) Herefordshire Council for Voluntary Youth Services (HCVYS) are a specialist Local Development Agency, dealing with services for young people in the County. They receive modest Council funding support.
- b) HCVYS was asked a range of standard questions including a challenge that services seemed to be duplicated between Infrastructure organisations. We were advised that HCVYS was involved with the Infrastructure Consortium Investment Plan to identify gaps and overlaps of service provision within the County. HCVYS did not accept there was any measurable overlap between the services it provided and other Infrastructure organisations. HCVYS acted as a broker to youth organisations and had procedures in place to signpost to HVA or Community First for more specialist services.

- c) HCVYS noted that within the next 12 months over 40 parish plans should have been completed. HCVYS was concerned that single Infrastructure organisations would be unable to meet the resulting requests for support. To avoid duplication and maximise the use of resources HCVYS supported the suggestion that HVA, HALC and HCVYS should work together and decide which areas each organisation should cover.
- d) HCVYS was challenged to consider what scope existed within the County for achieving economies of scale, for example, by merging Infrastructure Bodies into a smaller number of organisations or sharing support services. HCVYS accepted this was possible, but some HCVYS members were worried about services being centralised, as this could lead to a loss of local service in rural areas. HCVYS argued Herefordshire Council had a part to play in reducing costs, by providing support to the CVS in areas such as Information Technology, Procurement and Human Resources training. We asked if there was scope to review appropriate training provision in the County. HCVYS supported this idea and suggested a single point of contact for specific training would be helpful. However, HCVYS stated that room for cooperation was limited, as existing Voluntary Sector and Infrastructure organisations would compete with each other to secure funding from whatever sources were available.
- e) HCVYS had established joint working arrangements with several other organisations, and had clear procedures for collaboration. The Review Team welcomed this approach.
- f) HCVYS were asked for views on the Youth Consortium SLA with the Council. We were advised the SLA was seen as a Partnership Agreement, which had worked quite well, partly because it was flexible. The Review Team does not accept this view, and more detailed comments can be found elsewhere in the report in Section 5 on SLAs. HCVYS found the monitoring arrangements were satisfactory. There had been opportunities to work with the Council's Community Youth Services (CYS) to amend the SLA to meet changed circumstances. HCVYS saw no need to change the current SLA, other than to support the introduction of rolling SLAs. However HCVYS felt that communication in CYS could be improved, as in their view information did not seem to filter down. HCVYS also believed there was, what they described as, "inadequate strategic local planning" by CYS.
- g) All organisations interviewed were challenged to move towards becoming social enterprises, which could be financially self-sustaining. HCVYS did not consider this was an option for this sector, as small youth groups would never be able to pass on the full cost of service provision. The Review Team understood this difficulty.
- h) HCVYS were asked a standard question regarding the merit of targeting some resources to the most deprived areas of the County. Some youth organisations target specific groups of young people, and part of the Transforming Youth Service funding goes towards the Development Worker post. Unusually, HCVYS did not support the targeting approach in terms of Voluntary Sector grants. Targeting, in their view, left reduced or little funding for ordinary service users elsewhere. HCVYS claimed it was

more expensive to continually put in and take out targeted support than to provide core funding, which provided preventative services. The Review Team recognised this possibility, but did not accept the HCVYS argument. Service targeting recommendations are listed in the Executive Summary.

- i) HCVYS were asked what would be the impact of a major reduction in funding. We were advised that HCVYS could not operate and the Consortium work would have to be taken on by Council CYS staff. The HCVYS delegated grant fund would either cease or have to be run by CYS staff. (This funding is part of the Voluntary Sector Grants scheme). The strategic overview would disappear, as no other agency looked specifically at youth within the county. HCVYS stated CYS did not have the capacity to identify needs in communities as set out in Government targets. We asked what would happen to individual youth groups in the County. HCVYS thought that the larger groups would probably survive, but many smaller groups would probably have to cut services or close.
- j) The Review Team wished to obtain evidence of the effectiveness of the services provided, and conducted a limited beneficiary survey. There were many positive responses and virtually no criticisms. HCVYS was especially valued for the quality of advice offered and for its administration of the small delegated grant fund. The Review Team believes Herefordshire Council achieves value for money from its agreements with HCVYS.

6.12 ALLIANCE

- a) ALLIANCE (The Alliance of Voluntary Sector Organisations in Health and Social Care – formerly known as Herefordshire Community Care Alliance) is also a Forum Support Organisation (FSO) supporting 8 Patient and Public Involvement (PPI) Forums in Herefordshire and Worcestershire. FSOs are not-for-profit organisations that have been contracted through a competitive tendering process to support PPI Forums.
- b) In April 2004 a five year compact was signed with the ALLIANCE and the Primary Care Trust and Social Care and Strategic Housing Directorate,
- c) The Review Team has studied the compact, which appears to be comprehensive, but it is too early to establish the effectiveness of these arrangements. Health Service managers were advised about the review, and expressed concern that ALLIANCE might be affected by possible changes to the compact. The Review Team agrees it would be inappropriate to suggest changes to the compact at this stage. The Review Team recommends that the COMPACT be reviewed in accordance with the review provision set out in the terms of the COMPACT.
- d) For the reasons outlined above the Review Team did not carry out a beneficiary survey.

6.13 Citizens Advice Bureaux

- a) Citizens Advice Bureaux (CAB) provide free information and advice on legal, money and other matters to the general public. They are a registered charity and the majority of advisers are volunteers. Herefordshire CAB was formed in 1999 following the amalgamation of the three bureaux based in Hereford, Leominster and Ross-on-Wye.
- b) Collecting useful and reliable information about the performance of the CAB Service is difficult, because of the large number and diversity of bureaux and the services they provide. An earlier exercise by Council officers suggested there was some debate as to the performance criteria that should be measured. For example, if high throughput is a priority, or the most important measure of efficiency, it would be easy for a CAB to increase this by reducing face to face contact with clients, by taking on simple cases only, or by introducing an automated telephone response service. Throughput needs to be judged against a quality of outcome.
- c) Measuring the outcome of advice is very difficult; there are no agreed ways in which to evaluate and compare the different outcomes of advice, and these are affected by many factors, of which the advice given is but one.
- d) Although CAB is not strictly speaking an Infrastructure organisation, they were nevertheless asked a range of standard questions including a challenge that services seemed to be duplicated between Infrastructure organisations. CAB claims they are the only organisation of its kind able to offer high quality advice in Herefordshire. The CAB recognised that other CVS Agencies gave advice, but saw that as secondary to their main tasks. CAB did sometimes, when appropriate, signpost people to other services.
- e) CAB accepted that competition for funding sometimes deterred organisations from working in partnership as that could mean having to share the funding, whereas if they applied individually and were successful they would get all the funding.
- f) CAB was asked what scope existed for economies of scale, for example, by merging into a single advice organisation or sharing support services. Suggestions from interviews with Council officers included using the Council's insurance cover for buildings, and providing IT services. CAB was not enthusiastic about merging, but was interested in sharing support services. CAB in Herefordshire sourced its IT systems from the national CAB network, which did not provide support "on the ground". CAB was interested in Herefordshire Council IT support, but not if that took away funding, as it would be of no net benefit to the CAB.
- g) CAB was asked what would be the advantages of CAB operating from a building where other CVS organisations and Council Departments were based. CAB replied that this was happening and the Leominster CAB office based within INFO in Herefordshire demonstrates their willingness to co-locate with other organisations. However CAB premises in Hereford continued to be a problem. It had a good location and was rent-free, but was cramped and had very poor access. CAB had refused disabled volunteers because they could not properly accommodate them. The lack of space restricted how many volunteers could be recruited, as there was

no room to train them. The Review Team also noted the poor accommodation restricted the ability of the CAB to bid for Legal Service contracts.

- h) CAB was asked for views on their SLA with the Council. CAB was unhappy with their SLA, describing it as very poor. We suggested the possibility of a checklist approach to drawing up SLAs. CAB expressed a preference for adopting the National CAB pro forma SLA as it was felt to be a better model.
- i) We challenged CAB to demonstrate it provided value for money. CAB stated that the funding they received from Herefordshire Council allowed CAB to secure an additional 50% on top of the Herefordshire Council funding
- j) CAB was able to supply details on numbers of clients seen, and numbers of advisers. CAB had comparative national statistics to demonstrate the Herefordshire Bureaux scored well against other CABs. Added value was demonstrated by its representation on groups such as Race Equality, and Community Support Network. CAB was part of the Community Legal Services Partnership, as well as the Voluntary Sector Assembly, and the Social Inclusion Ambition Group of the Herefordshire Partnership. CAB had feedback and complaint systems in place, and conducted a bi-annual survey of clients. The Review Team contrasted this with its benchmarking exercise (see Appendix 4). This indicated that Herefordshire Council support for its local CAB service is not generous.
- k) It was not possible to carry out a beneficiary survey as the CAB deals with individuals and confidentiality is paramount. However the Review Team is satisfied from the monitoring available that the CAB provides a good service to the 20,000 plus clients it sees each year. This number is increasing.
- l) CAB was asked if there were any directly provided Council services that CAB was better placed to deliver. One area is specifically highlighted here, the Welfare Rights Team. CAB argued they could carry out much of the work of the Welfare Rights team, which in their view was set up without consultation. CAB tried to engage them through the Welfare Rights Forum, but this was not successful.
- m) CAB was asked what would be the impact of a major reduction in funding to CAB. We were advised this would be really damaging. CAB did not receive enough funding from Herefordshire Council to cover the cost of their core service. CAB ran at a deficit in the previous year and any funding reduction would probably require CAB to reduce their numbers of paid staff. We noted their four staff were employed using SLA funding, but three of those were part time. It was likely that, at the very least, one of the main offices would have to be closed. The Review Team accepts the impact of reducing funding would be considerable. Herefordshire Council's INFO shops would probably have to deal with many thousands of individuals and families who would no longer have access to CAB support.

- n) The Review Team also interviewed ABLE, which was formerly Herefordshire DIAL, an advisory service for disabled people, their families and carers. ABLE advises on benefits available, facilities people may need and where to obtain them to assist in maintaining people's independence. They confirmed there was some duplication of service with the Welfare Rights Team, and also informed us that ABLE had clients coming to them who had not been satisfied with the quality of services from the Welfare Rights Team.
- o) The Review Team interviewed the Director of Social Care and Strategic Housing, and was pleased to receive confirmation of her full support for the work of the Welfare Rights Team being covered by this Review. We included the option of looking at partnership working with CAB, ABLE and the Welfare Rights Team. A Welfare Rights Team interview took place, but the team failed to justify a number of statements made to us. It has not produced evidence to clarify its statutory role, nor has it supplied a justification for the cost effectiveness of the service provided. There is also a lack of benchmarking information to compare its performance with comparable Authorities. If this service were to remain in-house, (and there is a strong case for it to be moved into the CVS), we are not convinced this work should remain within Social Care and Strategic Housing. There is an argument for placing Welfare Rights work in the Treasurer's Department under Revenue and Benefits services. The Review Team has concerns that moving the service within the Treasurer's Department may limit benefits uptake, as we were advised clients could be reluctant to discuss their personal financial situations with this section.
- p) The Welfare Rights Team as it is presently organised was unable to demonstrate it offers better value for money than if it was run by the CVS. We also consider that the majority of clients would welcome accessing an independent service rather than one operated by Herefordshire Council. Our interviews lead us to conclude there is a duplication of services. In addition some doubts have been raised over the Welfare Rights Team service quality. We have not been able from information received from the Welfare Rights Team to reach a detailed conclusion. Despite this the Review Team considers that at the least there is a case for pursuing collaborative working arrangements with CAB, ABLE and Welfare Rights. In the absence of further information we recommend consideration should be given to moving the Welfare Rights service out of the Council and commissioning the Welfare Rights service by placing it with the CAB. Alternatively a market testing exercise should be undertaken.
- q) The Review Team supports continued funding of the CAB, as it provides a good service and offers value for money. A loss of CAB services would have a detrimental effect on the County and could lead to a significant increase in the workload of the Council's INFO shops. It is recommended that funding for the CAB should remain at their current levels whilst the option of partnership working with ABLE and Welfare Rights is explored in more detail. The CAB faces a funding shortfall and there may be some justification for providing additional one-off support until the partnership-working outcome has been reviewed.

6.14 Voluntary Sector Assembly

- a) The VSA attempts to act as a voice for the CVS in Herefordshire and through the Herefordshire Partnership is a central point of contact between Herefordshire Council and the County's CVS.
- b) The VSA is not an Infrastructure organisation, but was specifically included within the review of CVS support. VSA were interviewed, but a number of standard interview questions were not appropriate. We began the interview by asking the VSA what support they were seeking from the Council.
- c) Current VSA funding from Government Office West Midlands expires at the end of March 2005. The VSA had not previously approached the Council for financial assistance, but would look to apply for Council for funding if it was available.
- d) We challenged the VSA to comment on the very low levels of awareness of the VSA amongst Herefordshire Council staff. We also advised of concerns expressed to us that the VSA had not been effective. The VSA responded that there was a requirement for Herefordshire Council Steering Group officers to publicise the VSA activities internally. (These sit on the Steering Group in a non-voting advisory capacity). The VSA believed the failure was the fault of the Council officers involved with the VSA to promote its activities within the wider Council. They suggested there was merit in arranging a seminar to raise awareness of the VSA with Council staff.
- e) We asked the VSA to explain what was the added value of the VSA, in addition to the contribution of other Infrastructure organisations. We were told the VSA was different from other CVS organisations as it had a democratic structure, which was able to reach small and diverse groups. The VSA suggested they had the ability to pull in more projects and funding for Herefordshire specifically around the subjects of democracy and participation, because of the democratic nature and mandate of the organisation. The VSA contended they were the only body that could legitimately represent the views of, and speak for the CVS in Herefordshire. We subsequently raised this issue with a number of Council officers, but it became clear they did not accept that the VSA had an exclusive voice in this regard.
- f) We fed back the criticism that the VSA was always chasing funding instead of doing the job it was supposed to do, and had to some extent lost its way. The VSA did not accept this statement. The VSA agreed it did seek funding, but to no more extent than any other CVS organisation. The VSA argued that if Herefordshire Council gave the VSA a properly funded SLA then to some extent it would alleviate the need for perceived continual fundraising.
- g) We referred to statements from interviews that the idea of a VSA was sound, but it was not working in practice. We gave the example of a lack of representatives, and remarks that some representatives tended to give their own opinions rather than consult with and give the views of the sector they represent. The VSA stated the Herefordshire Partnership must take

some responsibility for the performance of Ambition Groups. The CVS was diverse, and different groups wanted different things. It was not always possible to give a single view from the Sector. The VSA steering group would welcome a meeting with Herefordshire Council staff who perhaps have little awareness of the VSA. They wished to engage with them and explain how the VSA can contribute. The Review Team was a little surprised that the VSA was not fully aware of this situation.

- h) We challenged the VSA to explain why other Local Authorities did not see the merit of setting up VSAs. They had ongoing relationships with their CVSs, which appeared to be satisfactory and were not in danger of collapse. We were advised the VSA would not have been established in Herefordshire without funding from the Government. Herefordshire Council had not set up the VSA. It was seen as helpful that in Herefordshire there was a single tier Council, and a coterminous Partnership which should have made for better working relationships. The VSA pointed out that other areas of the country spoke well of the Herefordshire Partnership and the VSA. The VSA were leading in some ways.
- i) The Review Team cannot recommend Council support for funding the VSA in the short-term. We accept there is a need for an interface with the Council, and this can be achieved in a number of ways, such as the creation of new arrangements or by seeking to modify the VSA as it currently operates. It would be helpful if the VSA were to obtain funding from another external source in 2005/2006. The time could then be used to consider how the Council wants to connect with the CVS and if appropriate to negotiate a funding arrangement with effect from 2006/2007.

6.15 Infrastructure Organisations: Common Issues

- a) A standard interview challenge was to ask Infrastructure organisations if there were any services provided by Herefordshire Council that could be better provided by the CVS. (We also challenged Council officers to identify services provided by Infrastructure organisations, which could be better provided in-house). In summary the following areas were identified, and it was suggested services could be delivered to the same or an improved standard, but at a cheaper cost.
- Work that involves going out into the community (e.g. activities along the lines of Planning for Real exercises).
 - Parish Plans work.
 - Administering the Voluntary Sector Grants Scheme.
 - Running the Herefordshire Council Delegated Grants Scheme.
 - Administering Market Towns Community Pride Grants.
 - Project Development.
 - Running the ARCH Scheme (an objective 2 European funding programme).
 - Community Finance and Enterprise Officer.
 - Tenant Participation.
 - Rural Housing Enablement Officer.
 - Race Equality Service.
 - Community Development Coordinator.

- Community Involvement Co-ordinator.
 - Voluntary Sector Adult and Community Learning role.
- b) The Review Team does not consider that the current location of the Race Equality Service within Herefordshire Council offices is appropriate. The Review Team recommends Herefordshire Council should ask the Race Equality Partnership to consider transferring the Race Equality service to the CVS. At least two Infrastructure organisations expressed interest in providing this service. This can probably be best achieved by commissioning the activity with an individual Infrastructure organisation, or failing satisfactory agreement, by undertaking a market testing exercise.
- c) The Review Team has doubts over some of the other suggestions. These are:
- The ARCH scheme. This is a European funding project that has been run by the Herefordshire Partnership since January 2003 and has two years to run. The transfer of the responsibility to an Infrastructure organisation would disrupt the existing management arrangements. In addition an initial enquiry with Government Office West Midlands has raised doubts they would be satisfied that any of the Infrastructure organisations could meet the financial requirements of being the Accountable Body.
 - Tenant participation service. This highlighted an example of where an Infrastructure organisation may not have appreciated tenant participation work was no longer the responsibility of Herefordshire Council's Strategic Housing Team, but that of registered landlords (usually the Housing Associations). It is outside the Terms of Reference for the Review Team to consider this option.
 - The Community Finance and Enterprise Officer is employed in the CRT. Much of the responsibilities of this post include advising the private sector, particularly small businesses and social enterprises, as well as the CVS. It is unclear if Infrastructure organisations are allowed under their operating articles to undertake that part of the role. The Review Team also consider it is important to base the post within a strategic, rather than delivery organisation. In theory this post could be contracted out with the CVS, as the postholder would act as an agent of the Council. Seconding the post to the Voluntary Sector to carry out a "trial run" might be a good idea to see if the arrangements actually work in practice, before any formal transfer took place. We are advised, however, that because of the nature of the post and role any transfer of responsibilities would be subject to TUPE provision. This means that the scope for savings to the Council is virtually non-existent.
 - Delegated Grants scheme. Herefordshire Partnership badged staff, who administer a range of grants involving both Council and external funding, run this service. Grants are made to the public and private sectors as well as the CVS. The Team is located within the CRT, which underwent a Best Value review in 2002. This judged the overall service

as good, with promising prospects for improvement, and it is considered too soon to undertake a market testing exercise.

- Voluntary Sector Grants scheme. The Review Team is not opposed in principle to market testing of the scheme. The Review Team is concerned however if it is appropriate for a local infrastructure body to administer a scheme in which they themselves could be the beneficiaries of Council funding. The Review Team feels there is an inherent conflict of interest with such an arrangement.
- Project Development. The Project Development Team provides a significant proportion of its time supporting the CVS, and in principle there is no reason why this work should not be subject to market testing. However the Project Development Team also works with the private sector as well as the public sector. Infrastructure organisations may not be allowed to work to support the private sector under their articles of association. Herefordshire Council officers also work closely with Project Development staff and these links would be weakened if the work was undertaken elsewhere. It is recommended that the possible obstacles to market testing be clarified. The Review Team is however doubtful that outsourcing the work of the Project Development Team will be cost effective, and does not consider this to be a high priority.
- Shop Front Grants. This highlighted another example of where an Infrastructure organisation may not have appreciated this was the responsibility of the Market Towns Partnerships rather than the Herefordshire Council. This is paid for with external funding. It is outside the Terms of Reference for the Review Team to consider this option. The Review Team noted however that the Market Towns Partnerships have chosen to use the Delegated Grants Team to run the schemes on their behalves. This may indicate that the Market Towns believe they are getting value for money by using the Delegated Grants Team to provide this service.
- Rural Housing Enablement Officer. The Review Team raised this possibility with the Head of Strategic Housing. We established that they have investigated this with neighbouring authorities who felt that a Rural Housing Enablement Officer was a good idea in principle. For Herefordshire, however, doubts remain as to the value of the post as neighbouring authorities have not necessarily achieved any planning or development work that they would not have without the post. The Registered Social Landlords' forum has given a verbal indication that they do not see a strong need for an RHE Officer and cannot argue for funding for a post. The Review Team is not convinced that the appointment of an RHE Officer is justified. The Review Team recommends that the Strategic Housing Department places more of a rural focus into the job description of one of its current Housing Officers.
- Community Involvement Co-ordinator. The Community Involvement Co-ordinator has traditionally been placed within the Herefordshire Partnership Policy and Commissioning team, because of close working

with other Council Officers (such as Policy and Research, Social Services and Housing). The post was heavily involved in the last Comprehensive Performance Assessment of Herefordshire Council and is expected to be similarly involved in the next CPA. The Co-ordinator will lead the Councils progress towards its Community Involvement Strategy. The post is primarily concerned with advising public sector organisations on consultation and involvement. It is not a role that involves "hands on" involvement work with local communities. The postholder is currently working on advising partner organisations on appropriate consultation arrangements for the review of the Herefordshire Plan. The postholder is managed through a Community Management Team, including Herefordshire Council, HVA and Community First. The Review Team does not consider this post is best placed in the CVS.

- CVS Adult and Community Learning role. In principle there may be scope for placing part of this service with the CVS. However, the vast majority of funding comes from external sources such as European funds and the Learning and Skills Council. This funding is outside the scope of the Review. The Review Team also notes that a substantial proportion of adult learning activity is already contracted out. It is recommended that the Herefordshire Council Lifelong Learning Development Unit considers the scope for using the CVS to deliver a larger proportion of this activity.
- d) The Review Team accepts that some services could be considered for market testing. These are:
- Work that involves going out into the community, e.g. community surveys or activities along the lines of Planning for Real exercises. Where the CVS has proven skills and experience it is recommended that suitable parcels of work be tendered.
 - Parish Planning work. A Herefordshire Partnership officer, using funding from the Countryside Agency, initially carried out this work. The funding ceased some time ago and the post has since remained vacant. The Review Team support market testing of this provision if additional (possibly external) funding were to be made available. In such an event at least two infrastructure organisations have expressed an interest in providing the service.
 - Community Development Coordinator. The former Bromyard Voluntary Action once employed a previous postholder. The post was brought in-house following a budget exercise that demonstrated it was more cost effective to directly employ the member of staff. The previous postholder had also identified a conflict of interest between being based with a delivery organisation as opposed to a strategic organisation. This is presently a Herefordshire Partnership post, and agreement would have to be reached with other partners for a market testing approach.

7. Conclusions

- 7.1 The CVS plays a vital role in Herefordshire and will continue to play an increasingly important contribution in building strong and active communities in the County.
- 7.2 Herefordshire Council should examine opportunities for the CVS to work at increasing its role in public service delivery.
- 7.3 The sector is a vital link to socially excluded communities because they have developed trust by filling the gaps between mainstream services.
- 7.4 It is not realistic to expect Herefordshire Council to continue to be the first port of call for additional funding for the CVS. The majority of these organisations will need to diversify their income streams so that they do not depend as extensively on Herefordshire Council funding as they do at present.
- 7.5 Herefordshire Council is generous in the support it gives to the CVS, but the amount of activity within the County provided by the CVS is significantly greater than in other comparable Authorities.
- 7.6 Herefordshire Council officers, as individuals, rarely record in detail the amount of time spent supporting the CVS.
- 7.7 There is no overall strategy in place for CVS support. As a result Council Managers are not clear about the contribution of the CVS to meet Council objectives.
- 7.8 Individual Council Departments usually fail to examine the scope for including the CVS in delivering their strategies' objectives.
- 7.9 Herefordshire Council Voluntary Sector Grants scheme has a number of failings which suggest that the Council is not obtaining best value for money from the current arrangements.
- 7.10 Herefordshire Council's SLAs are inconsistent, not specific, have hard to measure outputs and are inadequately monitored and evaluated. In addition, there is a doubt that the SLAs would stand up to legal challenge.
- 7.11 Herefordshire is not well served by having two separate Voluntary Action organisations in the County. This leads to duplication of administrative arrangements and an inconsistent service.
- 7.12 There is scope for considering the transfer of some Council services into the CVS and for undertaking market testing exercises. In general, however, there are limited activities where this is felt to be appropriate.

8. Review of Herefordshire Council Support to the CVS: Funding Challenges

- 8.1 When this Review began it was not in the context of the funding challenges that Herefordshire Council is currently facing. The Review Team has undertaken its work on the assumption that the current levels of CVS funding would continue to be available in the future. Our recommendations in the main report would lead to the more effective and efficient use of this funding, but do not outline recommendations to make cuts to CVS support. We wish however to comment on the funding challenges for the Council and the CVS.
- 8.2 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.
- 8.3 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.

COMMUNITY FIRST FUNDING SUPPORT**Report By: Director of Policy and Community****Wards Affected**

County-wide

Purpose

1. To propose a means of reviewing the funding support for Community First within the context of an overall review of the support to the voluntary sector in Herefordshire.

Considerations

2. At its last meeting the Strategic Monitoring Committee proposed reviewing the funding support for Community First. Community First is an "infrastructure body" spanning both Herefordshire and Worcestershire. It has worked closely with the former development agency network and continues to work with Herefordshire Voluntary Action and Ledbury Voluntary Action.
3. In March of 2003 the Social and Economic Development Scrutiny Committee agreed terms of reference for a review of the support to the Voluntary Sector provided by Herefordshire Council (copy of report attached at Appendix 1). It was understood that this was a cross-cutting review, going beyond the administration of grants, and would therefore need to report back in to Strategic Monitoring Committee.
4. A large amount of data including face-to-face interviews with many of the bodies was conducted during 2003. Since the original review team was nominated there have been significant staff changes and it is now proposed that the review is undertaken by graduate placements located in the Policy Team working to the original review team as a steering group. This model is similar to that adopted for the cross-cutting transport review. It significantly reduced the administrative burden and simplified the process and shortened the timescale. The review will contain all the elements of the Best Value Review Guidelines.
5. Opportunities will be provided for those bodies, particularly the infrastructure bodies to be questioned and challenged on the value and impact of their work. It would be appropriate to deal with Community First through this mechanism along with like bodies.
6. A detailed timetable was being prepared. This will cover the period February to the end of June. Further reports would be made to the Strategic Monitoring Committee at critical stages in the Review.

RECOMMENDATION

THAT the Committee agrees:

- (a) that the change in approach to the structure of the Review is agreed;**
- and**
- (b) that Community First be included in the Review along with other infrastructure bodies.**

BACKGROUND PAPERS

None identified.

Further information on the subject of this report is available from
Jane Jones, Director of Policy and Community on (01432) 260042

REVIEW OF COUNCIL SUPPORT TO THE VOLUNTARY SECTOR

Report By: Director of Policy and Community

Wards Affected

County-wide

Purpose

1. To seek Members views on the scope of the review of the Voluntary Sector.

Considerations

2. Some work was undertaken at the end of 2001 to establish the extent of the Council's support to the voluntary sector; as to review just one grant scheme in isolation would be unproductive. The support given encompasses the Voluntary Sector Grants Scheme, Community Building Grants Scheme, childcare grants, a variety of Service Agreements, accommodation provision, NNDR relief, payroll facilities and occasional one-off grants from within service budgets. In addition there are opportunities to support volunteering within the county both through publicity of volunteering opportunities and support council employees in becoming active volunteers.
3. Following the Policy & Community Directorate restructuring in 2002, responsibility for management and operation of the Voluntary Sector Grants scheme has transferred to the Local Development Team, and it is now proposed to progress the review. As Voluntary Sector Grant decision for the 2003/04 financial year have to be made before the end of March to give applicants some financial planning time, it has been necessary to operate the Scheme under existing arrangements, making only a few basic amendments to the application form, and the assessment form. However, it is proposed that any recommendations arising from the review be implemented for 2004/05.

4. Scope

The review will seek to:

- Clarify the reasons for supporting the voluntary sector.
- Clarify the distinction between grants and payments for services.
- Produce a strategic funding document that clearly identifies the relative priorities of the services/strategies the council wishes to support through this service.
- Strengthen monitoring arrangements.
- Explore the scope/demand for provision of support services at marginal cost.
- Clarification of the respective roles of development support, assessment and decision-making.

Further information on the subject of this report is available from
Jane Jones, Director of Policy and Community on (01432) 260042

- Establish clear and accessible application, assessment, decision-making and monitoring processes.
- Ensure the involvement of the voluntary sector in decision making (i.e. the establishment of criteria, procedures, policies and priorities).
- Ensure a consistent approach towards supporting the voluntary sector across the Council.

5. The Review Team is:

Social and Economic Development Scrutiny: Cllr Guthrie, Cllr Stockton
 Voluntary Sector Grants Panel: Cllr Rees Mills
 Local Development Team: Local Development Manager, Penny Jones
 Local Development Admin Support & Grants Assist, Hannah McSherry
 Community Development Officer, Annie Brookes
 Regeneration Coordinator, Glyn West
 Parish Liaison & Local Development Officer, Dorothy Coleman
 Reps from relevant Herefordshire Plan (Ambition Groups)
 Voluntary Sector Reps: (To be advised)
 Audit/Treasurers: Principal Audit Manager, Tony Ford
 Social Services: Project Manager, Leslie Libetta

RECOMMENDATION

THAT Members' views are requested.

BACKGROUND PAPERS

- None

Membership of the Review Team

Councillor from the Voluntary Sector Grants Panel:

Councillor Rees Mills

Councillors from the Social and Economic Development Scrutiny Committee

Councillor Mrs Sylvia Daniels

Councillor John Stone

Core Review Team:

Glyn West, Senior Partnership Policy Officer (Lead Officer)

Ed Hughes, Regeneration Officer

Catherine Winsor, Personal Secretary to Head of Service

Officer Group:

Annie Brookes, Community Development Officer

Julie Brown, Assistant Accountant

Jean Howard, PCT

Penny Jones, Community Regeneration Manager

Hannah McSherry, previously Parish Council Liaison and Community
Regeneration Officer

Shane Smith, Community Regeneration Support and Grants Assistant

Karen Stanton, Community Development Coordinator

Christine Wright, Principal Lawyer

Scope of the Review

- Review the services provided by the main Infrastructure organisations. This will include bodies such as Community First, Herefordshire Voluntary Action, Ledbury Voluntary Action, HCCA, Citizen's Advice Bureaux, HCVYS and those not for profit organisations with whom the Council has Service Level Agreements (SLAs).
- Contrast the differences between services provided both from direct grant awards and through SLAs to help form a view on value for money from these different arrangements. Establish guidelines when it would be appropriate to use either funding mechanism. This will consider the implications for leveraging in additional funding, and agreeing the basis for calculating management costs.
- Examine the current management arrangements for the operation of the Voluntary Sector Grants scheme. The Review will involve the Voluntary Sector with particular reference to consistent application forms, criteria for grants, long term project sustainability without on-going grant awards, policies, priorities, and procedures including decision making arrangements.
- Establish clear and consistent monitoring arrangements of Voluntary Sector Grant awards and SLAs throughout the Council.
- Investigate the added value implications of whether services currently supported by grant awards are better provided in-house or if existing in-house services might be better provided by the Voluntary Sector.
- Detail the overall funding made available to the Voluntary Sector by the Council, and will include in kind contributions. Grants related to direct social services care will not be covered by the Review.
- Compare the extent of Voluntary Sector Grant support and the way it operates in Herefordshire against our Benchmarking Authorities.
- Undertake a literature search to identify models of Best Practice.
- Funding for the Voluntary Sector from third party sources such as Single Regeneration Budget or Objective 2 funding will not be covered by the Review.
- Funding support for Parish Councils will not be covered by the Review.
- Consider support arrangements for the Voluntary Sector Assembly.
- Recommend options for Voluntary Sector Grant support in the future.

Timescale

The review will be completed by the end of September 2004.

Data collection will take around three months, but the Review will continue in parallel with this process.

An initial session will be held with appropriate representatives of the Voluntary Sector to outline:

1. The scope of the review.
2. The conduct of the review.
3. The timetable for the review.

Around August a second larger session will be held with the voluntary sector to outline work to date and set out our findings. There will be a final session in mid September to present the draft report.

The Review Process

The Review Team will report to Geoff Cole, Head of Culture, Leisure and Education for Life, who will receive progress reports, and agree the Review Team work programme.

Whilst this is not a formal Best Value Review it will cover key elements of the Best Value review guidelines. It will establish a baseline and rigorously challenge existing patterns of service, using a series of structured interviews. The Review Team will consult with stakeholders and compare provision with that available in similar rural counties. Every stage of the review will be thoroughly documented and demonstrate that the Review has been properly conducted and that its outcomes are founded on an informed and robust process.

Face to face interviews will be conducted with representatives of key infrastructure organisations and other key stakeholders.

Review Team membership

The Review team will be small and lead by Glyn West, with support from Catherine Winsor and Ed Hughes. Annie Brookes will act as the Community Regeneration Team contact. Other officers will be co-opted as required. Directorates will identify named individual contact to help facilitate the Review.

24.03.04

Benchmarking Results Table

Local Authority Name	VS Cash Support 03/04	VS In Kind Support 03/04	Total VS Support 03/04	Population (2001 Census)	Spend per head (Cash)	Spend per head (In Kind)	Spend per head (Overall)
Unitary Authorities							
Herefordshire	£1,141,071	£225,344	£1,366,415	174,871	£6.53	£1.29	£7.81
Telford & Wrekin	£385,000	£10,500	£395,500	158,325	£2.43	£0.07	£2.50
West Berkshire	£400,000	£700,000	£1,100,000	144,483	£2.77	£4.84	£7.61
South Gloucestershire	£1,377,983	£0	£1,377,983	245,641	£5.61	£0	£5.61
North Somerset	£336,570	N/a	£336,570	188,564	£1.78	£0	£1.78
Powys	£3,423,012	* £24,000	£3,447,012	126,354	£27.09	£0.19	£27.28
County, District and Borough Councils							
Devon							
Mid Devon District	£300,000	£0	£300,000	69,774	£4.30	£0	£4.30
Exeter City	£531,160	£0	£531,160	111,076	£4.78	£0	£4.78
Dorset							
Bournemouth Borough	£220,000	£140,000	£360,000	163,444	£1.35	£0.86	£2.20
Shropshire							
Bridgnorth District	£23,000	£0	£23,000	52,497	£0.44	£0	£0.44
Cornwall							
Cornwall County	£111,000	£0	£111,000	506,182	£0.22	£0	£0.22
Penwith District	£410,000	£0	£410,000	63,012	£6.51	£0	£6.51
Cumbria							
Eden District	£480,000	£20,000	# £500,000	49,777	£9.64	£0.40	# £10.04
Blythe Valley Borough (2004/05)	£79,100	£65,950	£245,050	81,265	£2.20	£0.81	£3.02

* Office space only

Approximate total for all grants, including those given to individuals, companies and Voluntary sector.

Benchmarking Result Table (Infrastructure Organisations)

Local Authority Name	Population (2001 Census)	Citizens Advice Bureaux Support 03/04	Spend per head	Voluntary Action / CVS Support 03/04	Spend per head	Community Council Support 03/04	Spend per head	Voluntary Sector Grant Scheme Funding 2003/4	Spend per head
Unitary Authorities									
Herefordshire (HVA area)	156,587			£110,090	£0.70				
Herefordshire (CVALD area)	18,284			£11,021	£0.60				
Herefordshire (All)	174,871	£137,290	£0.79	£122,076	£0.70	£66,781	£0.38	£148,519	£0.85
Bath & North East Somerset	169,040	£303,168	£1.79						
Poole	138,288	£118,000	£0.85	£39,400	£0.28	£21,821	£0.16	£82,159	£0.59
North Somerset	188,564	£107,040	£0.57	£600	£0.00	£25,795	£0.14	£349,330	£1.85
North Lincolnshire	152,849	£112,160	£0.73	£96,135	£0.63	£20,900	£0.14	£100,000	£0.65
Darlington	97,838	£92,000	£0.94	£35,000	£0.36	£0		£144,264	£1.47
County, District and Borough Councils									
Cornwall									
Cornwall County	506,182	£83,874	£0.17	£184,227	£0.36	£0		£111,000	£0.22
Caradon District	79,649	£47,166	£0.59	£5,957	£0.07	£1,200	£0.02	£8,300	£0.10
North Cornwall District	80,509	£74,000	£0.92	£0		£0		£0	
Penwith District	63,012	£30,000	£0.48	£30,000	£0.48	£6,400	£0.10	£10,000	£0.16
Isles Of Scilly	2,153	£814	£0.38	£0		£0		£0	
Pro Rata (incl. CCC)	506,182	£235,854	£0.47	£220,184	£0.43	£7,600	£0.02	£129,300	£0.26

Cont.

Local Authority Name	Population (2001 Census)	Citizens Advice Bureaux Support 03/04	Spend per head	Voluntary Action / CVS Support 03/04	Spend per head	Community Council Support 03/04	Spend per head	Voluntary Sector Grant Scheme Funding 2003/4	Spend per head
County, District and Borough Councils Cont.									
Cumbria									
Eden District	49,777	£29,220	£0.59	£11,000	£0.22	£20,000	£0.40	£0	
Devon Pro Rata	704,493	£104,150	£0.67	£31,000	£0.20	£1,150	£0.01	£225,625	£1.44
Dorset Pro Rata	390,980	£222,290	£1.99	£40,000	£0.10	£0	£0.14	£163,524	£0.42
Northumberland Pro Rata	307,190	£146,212	£1.11	£34,640	£0.26	£2,000	£0.02	£465,640	£3.54
Shropshire Pro Rata	283,173	£102,480	£0.72	£0		£200	£0.00	£90,869	£0.64
Worcestershire Pro Rata	542,107	£61,680	£0.27	£2,000	£0.01	£750	£0.00	£40,000	£0.17

Note: It was not possible to obtain figures from all the District Councils within the selected Counties. For example we obtained 5 returns out of 7 from Northumberland. We have therefore used pro rata calculations to arrive at these figures. In the case of Cumbria we had only one District Council response and it was not felt appropriate to use a pro rata estimate.

Total Baseline Support by Organisation

Organisation	Type of Support	Detail	Year	Amount	Total
Citizens Advice Bureaux	Service Level Agreement		2004/05	£104,150	£137,290
	In-kind	Favourable IT support rates	2004/05	£974	
	Grant	# Extra support payment	2003/04	£20,000	
	Grant	# Extra support payment	2003/04	£4,000	
	In-kind	Reduced rent	2004/05	£7,500	
	Cash	Business rate relief	2003/04	£666	
Herefordshire Voluntary Action	Service Level Agreement		2004/05	£101,980	£111,055
	Service Level Agreement	Parish Plans	2004/05	£5,000	
	Grant	Extra support payment	2003/04	£2,500	
	In-kind	Reduced rent	2004/05	£965	
	Cash	Business rate relief	2003/04	£610	
Community First	Service Level Agreement		2004/05	£49,750	£66,781
	Service Level Agreement	Community Buildings	2004/05	£16,630	
	Cash	Business rate relief	2003/04	£401	
Herefordshire Council for Voluntary Youth Services	Service Level Agreement	Partnership Agreement	2004/05	£39,425	£47,425
	Grant	Voluntary Sector Grant Scheme	2003/04	£8,000	
Community Voluntary Action Ledbury and District	Service Level Agreement		2004/05	£10,620	£11,021
	Cash	Business rate relief	2003/04	£401	
Herefordshire Association of Local Councils	Service Level Agreement		2004/05	£10,500	£12,093
	In-kind	* Officer time	2004/05	£1,593	

#One-off support and not part of ongoing SLA and not guaranteed funding for future years.

* Infrastructure organisations felt this was administration cost of monitoring SLAs and not support to the voluntary sector

Cont.

Organisation	Type of Support	Detail	Year	Amount	Total
Voluntary & Community Sector Organisations including Not-For-Profit Organisations	Cash	Business Rate Relief	2003/04	£277,914	£654,416
	Grant	Voluntary Sector Grants Scheme	2004/05	£148,519	
	In-kind	CRT Support	2004/05	£118,252	
	Grant	Small Projects Fund	2004/05	£33,500	
	In-kind	Officer time (HP)	2004/05	£31,500	
	In-kind	Rent Reduction	2004/05	£25,846	
	In-kind	Favourable Room Hire Rates	2004/05	£4,471	
	In-kind	Reduced Council Agenda Costs	2003/04	£4,000	
	In-kind	SLA Support - Officer Time	2004/05	£2,261	
	In-kind	SLA Monitoring - Officer Time	2004/05	£2,173	
	In-kind	Research	2004/05	£2,000	
	In-kind	Favourable Room Hire (Woolhope Room)	2003/04	£2,730	
	In-kind	Free Road Closures	2003/04	£1,250	
South Wye Voluntary & Community Sector	Grant		2004/05	£97,905	£97,905
Various Arts & Culture Organisations	Service Level Agreement		2004/05	£50,000	£50,000
Various Community Buildings	Grant	Community Buildings Scheme	2004/05	£50,000	£50,000
Rural Media Company	Service Level Agreement	Host Agency Agreement	2004/05	£25,615	£39,615
	Service Level Agreement		2004/05	£14,000	
Social Enterprises - Voluntary Sector	In-kind	Officer time	2004/05	£14,629	£19,629
	Grant		2004/05	£5,000	
One to One	Service Level Agreement	Partnership Agreement	2004/05	£15,500	£15,500

Interviews held with Council Officers

Council Officer	Date	Council Officer	Date
Stuart Gent Head of Property Services, Environment	21/06/04	Ian Hyson County Treasurer	05/08/04
Geoff Hughes Head of Community & Economic Development Policy & Community	23/06/04	Deborah Allison Arts Liaison Officer Policy & Community	02/08/04
Alan Blundell Head of Policy & Communication Policy & Community	25/06/04	Henry Lewis Head of Social Care (Children) Social Care & Strategic Housing	11/08/04
Jane Jones Director of Policy & Community	28/06/04	Mark Warren Head of Customer Services & Libraries, Policy & Community	12/08/04
Geoff Cole Head of Culture, Leisure & Education for Life, Policy & Community	30/06/04	Natalia Silver Cultural Services Manager Policy & Community	16/08/04
Jon Ralph Community Youth Service Manager Policy & Community	05/07/04	Alan Ronald Economic Investment & Development Officer (Property & Information) Policy & Community	17/08/04
Hannah McSherry Parish Council Liaison & Com Regeneration Officer Policy & Community	07/07/04	Mary Burton & Sue Lloyd Local Agenda 21 Officer Environment	19/08/04
Nina Bridges/Lyn Bright SRB Programme Manager Policy & Community	07/07/04	Kate Andrew Principal Heritage Officer Policy & Community	20/08/04
Andy Tector Head of Environmental Health & Trading Standard Environment	07/07/04	Sara Burch Community Finance & Enterprise Officer Policy & Community	24/08/04
Carol Trachonitis External Liaison Co-ordinator Policy & Community	09/07/04	Isobel Gibson Principal Research Officer Policy & Community	07/09/04
Annie Brookes Community Dev Officer Policy & Community	14/07/04	Richard Ball Transportation Manager Environment	10/09/04
Jan Perridge Senior Sports Dev Officer Policy & Community	15/07/04	Ruth Sinfield Early Years & Childcare Service Manager, Education	13/09/04
Julie Holmes/Sandra Silcox Head of ICT Policy & Community	15/07/04	Mike Fry Welfare Rights Manager Social Care & Strategic Housing	13/09/04
Stephen Oates Head of Highways & Transportation Environment	15/07/04	Colin Birks Property Services Manager Environment	15/09/04
Tracy Ricketts Regeneration Co-ordinator (Grants & Programmes), Herefordshire Partnership, Policy & Community	28/07/04	Penny Jones Community Regeneration Manager Policy & Community	20/09/04
Jonathan Riches Programme Officer (Mon) Herefordshire Partnership Policy & Community	29/07/04	Sue Fiennes Director of Social Care & Strategic Housing	22/09/04
Stephanie Canham Head of Social Care (Adults) Social Care & Strategic Housing	03/08/04	Richard Gabb Head of Strategic Housing Social Care & Strategic Housing	14/10/04

Interviews held with Infrastructure Organisations

Organisation	Date
Community Voluntary Action – Ledbury and District	04/08/04
Herefordshire Council for Voluntary Youth Services	24/08/04
*Citizens Advice Bureaux	03/09/04
Herefordshire Association of Local Councils	09/09/04
Community First	16/09/04
Herefordshire Voluntary Action	21/09/04
*ABLE	05/10/04
*Voluntary Sector Assembly	19/10/04

* *These are not technically infrastructure organisations as defined by this Review.*

Alliance provided answers to questions submitted to them by the Review Team, but the organisation was not interviewed.

Standard Council Officer Questionnaire

Review of Herefordshire Council Support to the Voluntary Sector

Questionnaire – Heads of Service

1. Voluntary Sector Support – “Cash” and “In Kind”

Attached is a table which lists the information collected from your division. Can you confirm for 2004/05:

- a) The information is correct.
- b) Any additions to the information.
- c) Any changes which will be made this financial year.

Examples of in kind support may include office space, staff time, or reduced rates for room hire.

- d) Why do you give grants rather than enter into service level agreements?
- e) In your opinion, what would be the effect on the organisation of the division:
 - Removing all funding to the Voluntary Sector.
 - Giving less funding to the Voluntary Sector.

f) How do you ensure that Voluntary Sector bodies offer value for money? *This question may be better answered by Service Manager or officer dealing.*

- g) Do you have any elements of competition or tendering for the Voluntary Sector bodies?
 - If yes, please give details.
 - If no, please explain why.

h) In your opinion, are there any areas of work currently funded through Voluntary Sector bodies that could be carried out by staff within the division?

- i) In respect of in kind support, what arrangements are in place for recording:
 - Category of organisation (e.g. Council/voluntary & community sector/charity/businesses/private) for room hire, for example.
 - Take up of in kind support, e.g. how many times a year a room is hired out at a favourable rate.
 - Officer time spent on advising and supporting.

2. Voluntary Sector Support – Service Level Agreements

Attached is a table which lists the information collected from your division. Can you confirm for 2004/05:

- a) The information is correct.
- b) Any additions to the information.
- c) Any changes which will be made this financial year.
- d) In general, do you believe that SLAs are a better option than grants?
 - Yes or no. Please give reasons.
- e) Are you satisfied with the procedures in place for monitoring SLAs?
 - Yes or no. Please give details.
- f) What do you consider to be the key elements of an SLA?

3. Voluntary Sector Support – Infrastructure Bodies

- a) How many infrastructure bodies receive financial or in kind support?
(Community First, Herefordshire Voluntary Action, Community Voluntary Action Ledbury and District, ALLIANCE (formerly HCCA), Citizen's Advice Bureaux, HCVYS)
- b) In your opinion do you receive value for money from these organisations?
 - Yes or no. Please give details.
- c) How do you assess their management costs, generally what percentage are they?

Notes

The following types of support are not included in this questionnaire

- Grants related to direct social services care
- Funding support for Parish Councils
- Funding for the voluntary sector from third party sources such as Single Regeneration Budget or Objective 2 funding.

Voluntary Sector Grants Scheme Awards 2002-2004

Organisations	Grant Awards			Total Sum Awarded 2002 - 2004
	2002	2003	2004	
Age Concern	£26,500.00	£29,000.00	£29,000.00	£84,500.00
Basement Youth Trust		£1,000.00		£1,000.00
Caring for Gods Acre	£1,000.00	£1,500.00	£605.00	£3,105.00
Close House Project			£3,250.00	£3,250.00
Community Voluntary Action - Ledbury	£3,500.00	£3,269.00	£3,481.00	£10,250.00
Coningsby Medieval Museum	£500.00			£500.00
CRUSE Bereavement Care	£300.00	£300.00		£600.00
Deaf Direct	£6,500.00			£6,500.00
Double Take			£250.00	£250.00
ECHO		£780.00	£2,000.00	£2,780.00
Farming and Wildlife Advisory Group (FWAG)	£3,000.00	£1,000.00	£500.00	£4,500.00
Friends of Dore Abbey	£500.00	£750.00		£1,250.00
Full House Furniture and Recycling Service	£7,500.00		£7,500.00	£15,000.00
Gorsley Pre-School		£1,000.00		£1,000.00
HCVYS	£10,000.00	£8,000.00	£8,000.00	£26,000.00
Hereford & District Disabled Swimming Club	£250.00	£250.00		£500.00
Hereford Access for All	£400.00			£400.00
Hereford Basketball Development Group		£200.00		£200.00
Hereford City Partnership	£1,500.00			£1,500.00
Hereford Guild of Guides	£300.00	£300.00	£300.00	£900.00
Hereford Police Male Choir	£500.00	£500.00		£1,000.00
Hereford Sub-Aqua Club	£200.00			£200.00
Hereford Three Choirs Festival Fringe		£3,000.00		£3,000.00
Herefordshire and Worcestershire RIGS Group	£350.00			£350.00
Herefordshire Association for the Blind	£5,000.00	£6,500.00	£6,600.00	£18,100.00
Herefordshire Citizens Advocacy Now	£6,000.00	£7,000.00	£6,000.00	£19,000.00
Herefordshire Community Council		£500.00	£500.00	£1,000.00
Herefordshire DIAL	£3,000.00			£3,000.00
Herefordshire Headway		£500.00		£500.00
Herefordshire Heartstart			£1,000.00	£1,000.00
Herefordshire Homestart	£3,000.00	£3,500.00	£4,000.00	£10,500.00
Herefordshire Kite Association	£500.00	£500.00	£500.00	£1,500.00
Herefordshire LORE	£700.00			£700.00
Herefordshire Music, Speech and Drama Festival	£500.00			£500.00
Herefordshire Nature Trust	£500.00			£500.00
Herefordshire Photography Festival - Exposure	£3,000.00	£5,000.00	£5,000.00	£13,000.00
Herefordshire Victim Support	£1,500.00	£1,750.00	£2,000.00	£5,250.00
Jumpstart	£1,000.00	£1,200.00	£4,000.00	£6,200.00
Kids Club @ Luston			£500.00	£500.00

Organisations	Grant Awards			Total Sum Awarded 2002 - 2004
	2002	2003	2004	
Kidz First		£2,500.00	£5,640.00	£8,140.00
Kington and District Museum	£450.00	£500.00	£2,000.00	£2,950.00
Kington Festival Association	£750.00	£1,500.00		£2,250.00
Kington Multipurpose Day Centre	£450.00			£450.00
Kington Tourism Group	£1,000.00	£1,000.00		£2,000.00
Landscape Recording Association	£1,200.00	£1,500.00	£1,500.00	£4,200.00
Ledbury Day Centre	£1,500.00	£2,000.00	£2,000.00	£5,500.00
Ledbury Poetry Festival	£2,000.00	£5,000.00	£5,000.00	£12,000.00
Ledbury Youth First	£5,000.00	£5,000.00	In Kind Contribution - Office Space	£10,000.00
Leominster Choral Society			£300.00	£300.00
Leominster Festival of the Arts	£4,000.00	£5,000.00	£5,000.00	£14,000.00
Leominster Folk Museum	£500.00	£550.00	£2,000.00	£3,050.00
Leominster Money Box Credit Union	£4,000.00	£4,400.00	£7,500.00	£15,900.00
Lion Ballroom	£2,500.00	£4,000.00		£6,500.00
Madley Festival	£850.00			£850.00
Marcher Apple Network	£750.00	£500.00	£300.00	£1,550.00
Marches Family Network	£4,750.00	£5,300.00	£8,000.00	£18,050.00
Music and Dance Education - MADE	£500.00	£600.00	£600.00	£1,700.00
New Theatre Works	£2,500.00	£3,000.00	£2,250.00	£7,750.00
Newton Farm Community Association	£470.00			£470.00
Nightjar Music	£1,100.00	£1,300.00	£1,500.00	£3,900.00
North Herefordshire (Leominster) Shop Mobility	£2,500.00	£3,500.00	£4,500.00	£10,500.00
Out and About Transport - Herefordshire Mind			£750.00	£750.00
Pentabus Theatre	£2,000.00	£2,000.00		£4,000.00
Presteigne Festival of Music and the Arts	£500.00	£700.00	£1,500.00	£2,700.00
Riding for the Disabled Association			£500.00	£500.00
Ross-on-Wye Choral Society	£200.00			£200.00
Samaritans	£800.00			£800.00
Shelter	£250.00			£250.00
Stapleton Heritage Group	£500.00			£500.00
Take A Break	£2,000.00	£3,000.00		£5,000.00
Teme Valley Youth Project	£5,000.00	£5,500.00	£8,000.00	£18,500.00
The Music Pool	£10,000.00	£12,000.00	£15,000.00	£37,000.00
The Nimbus Foundation	£500.00			£500.00
Tudorville Residents Association	£500.00			£500.00
Two Faced Dance Company	£750.00			£750.00
Unity Garden	£1,750.00	£1,200.00		£2,950.00
Waterworks Museum	£1,000.00	£1,000.00	£500.00	£2,500.00
Woolgatherers		£2,000.00	£1,000.00	£3,000.00
Workers Education Association		£500.00	£300.00	£800.00
WRVS	£4,000.00	£6,000.00	£4,000.00	£14,000.00
Wye Valley Chamber Music		£1,000.00	£500.00	1500
Xtreme Youth Project		£2,500.00	£3,500.00	6000
TOTAL	£154,020.00	£161,849.00	£168,626.00	£484,495.00

Eligibility Criteria for Voluntary Sector Grants Scheme 2004 – 2005

All applicant organisations must satisfy the following grant criteria - the Herefordshire Council may apply conditions on successful applications in individual categories of grant aid if it deems it appropriate.

1. Applications will only be considered for assistance towards activities/facilities operating within, or for the benefit of residents of, Herefordshire.
2. Applicants must show that the activity/facility is consistent with the Herefordshire Partnerships ambitions as set out in the Herefordshire Plan (enclosed).
3. National organisations must show either that there will be direct benefit to the County of Herefordshire or that benefit will accrue to the public at large (including, directly or indirectly, members of this community).
4. Applications will not be considered from organisations set up for profit making activities.
5. Applications for funding towards capital expenditure are not be eligible.
6. Local need for the activity/facility must be justified, and the benefit to local people demonstrated.
7. Where relevant, applicants must demonstrate the degree of local support for the proposal and that funds have been raised locally.
8. The activity must not seek to promote or oppose a political party or religious denomination.
9. Applications from individuals will not be eligible.
10. Applicants must have an appropriate constitution.
11. Proper accounts must be kept and be available for inspection by Herefordshire Council staff.
12. Applicants must show how the success/development of the activity/facility will be measured.
13. The Council will not consider applications from organisations which could be reasonably expected to fund their activities or needs from members' subscriptions or other sources or which have substantial cash balances which are not being used to fund activities.
14. 'In kind' support will be taken into account where it can be clearly audited. Herefordshire Council currently suggest a value of £8.70 per hour for volunteer time given in kind.
15. All applicants will need to include a summary setting out their management arrangements, user involvement, frequency of meetings, an outline of their equal opportunities practice and any other relevant information. A copy of the organisation's most recent bank statement, balance sheet and accounts **must** accompany applications.
16. The Council must have legal powers to fund the activity/facility you are proposing. If you submit a proposal which the Council does not have the power to fund, we will advise you of this.
17. If funding is awarded it will be released in two instalments. 75% will be released upon acceptance of the grant offer and the conditions attached to the offer. The final 25% will be released upon receipt of a complete and comprehensive final report. A final report will be enclosed with each grant offer letter.
18. Applicants that received funding in 2003/2004 will not be eligible for further funding unless they have fully complied with the conditions outlined in their offer letter.
19. All funding must be claimed by the 31st March 2005. Any funding that has not been claimed by this date will be withdrawn.

Contract Check List Suggested Clause Headings – Community and Voluntary Sector

NB: PLEASE NOTE THIS IS A LIST OF SUGGESTED CLAUSES FOR USE WITHIN CONTRACTS. ALL CONTRACTS CAN VARY AND SHOULD BE CHECKED BY LEGAL SERVICES PRIOR TO COMPLETION.

ALL CORRESPONDENCE ENTERED INTO PRIOR TO THE SIGNING OF THE CONTRACT WHICH DISCUSSES POTENTIAL TERMS SHOULD BE HEADED UP “**SUBJECT TO CONTRACT**”.

Clause Heading	Note
Date of Agreement	Formal completion date of the agreement. (NB not necessarily the commencement date – see below.) <i>FOR EXAMPLE ONLY:</i> <i>“THIS AGREEMENT is made on the 12th day of August 2004”</i>
Parties to Agreement	Names and address (the registered office) of those parties taking part in the agreement. <i>FOR EXAMPLE ONLY:</i> <i>“BETWEEN THE COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL Brockington 35 Hafod Road Hereford HR1 1SH (“the Council”) of the first part and JOE BLOGGS CHARITY Bloggs House Bloggs Street Hereford HRB BBB of the second part (“the Service Provider”).”</i>
Recitals	Explanation of the agreement (background information).
Definitions	Explanation of terms used, this saves repetition within the agreement. <i>FOR EXAMPLE ONLY:</i> <i>“In this Agreement the following words and expressions will have the following meaning: The “Community Centre” shall mean No Such Community Centre No Such Street Hereford HRB BBB”</i>
Duration of Agreement	Date of Commencement – the date the agreement shall commence. <i>FOR EXAMPLE ONLY:</i> <i>“This Agreement shall come into force on the 1st day of September 2004”</i> Date of Termination / Event which will terminate contract. <i>FOR EXAMPLE ONLY:</i> <i>“This Agreement shall terminate on the 1st day of September 2005”; or “...shall continue unless determined on notice as hereinafter provided...”.</i>

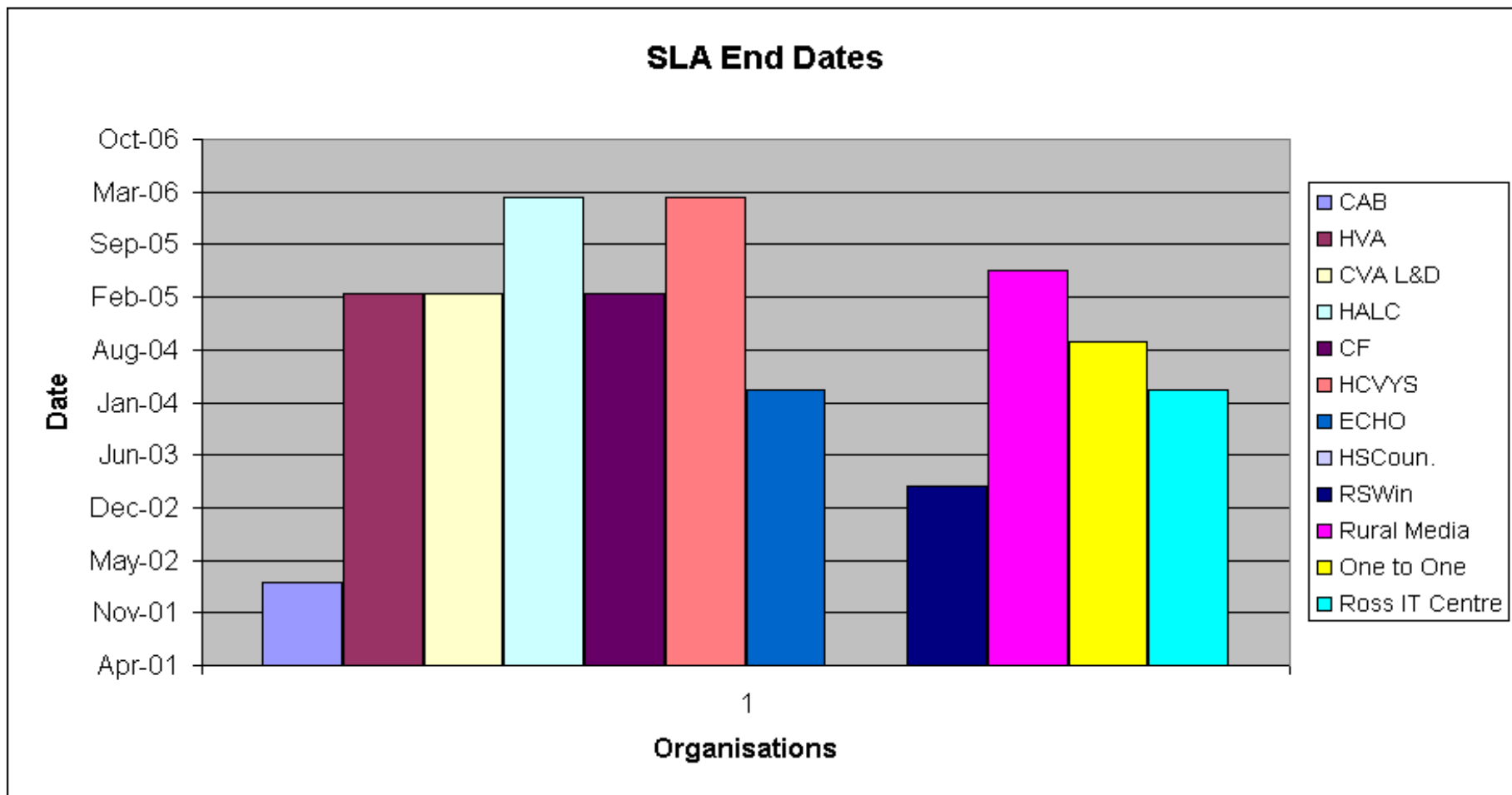
Clause Heading	Note
Purpose of Contract	Must be certain and specific. <i>FOR EXAMPLE ONLY:</i> <i>"...to provide funds for the refurbishment of the Community Centre Kitchen" AND NOT "...to provide funds for the Community Centre".</i>
Services to be provided Service Aims and Objectives	What the Council and the organisation receiving the grant intend to do. <i>FOR EXAMPLE ONLY:</i> <i>"The Council and the Service Provider are jointly committed to refurbishing the Community Centre Kitchen by September 2005 for the benefit of XYZ".</i>
Use of Grant	How money can be used. <i>FOR EXAMPLE ONLY:</i> <i>"Purpose of the grant is to purchase materials and skilled labour to assist in the refurbishment..."</i>
Payment / Recovery of Grant	How money is to be paid (method / frequency etc). How money will be recovered and in what circumstances will it be recovered. <i>FOR EXAMPLE ONLY:</i> <i>"The grant shall be paid to the Service Provider in 12 monthly instalment cheques of £100 (One Hundred Pounds) commencing on 1 September 2004".</i>
Business Plan / Project Plan	If grant is project specific the Council may require a specific plan and may require amendments from time to time.
Project Development	As above – could be used to allow Council to monitor and amend the project.
Service Standards	Levels of service provided by the other parties that are required by the Council.
Project Information	Who is project manager, contact details etc. Details of how regular updates on the project / the progress of the project should be made and to whom they should be made. Details of any monitoring reports that may be required and the frequency that they are required.
Monitoring Procedures & Records	What records should be kept by all parties and what procedures should be followed.

Clause Heading	Note
Accounts	Requirement for all parties (other than the Council) to keep accurate financial records. Date and frequency these accounts should be sent to Council for inspection. Possibly – notification to Council of other sources of funding for the project.
Termination	How agreement is terminated. Details of what grounds the agreement can be terminated early if at all eg insolvency / failure to perform within set time limit. Any remedies for early termination should also be included eg delivery up of goods, repayment etc. Amount and method of notice required to be given by all parties wishing to terminate the agreement.
Breach & Remedy	What constitutes a breach of the contract. What remedies are available for breach of the contract.
Declaration of Interest	If required.
Indemnity	Other party to indemnify the Council for legal costs and / or insurance claims.
Force Majeure	Unforeseen / uncontrollable act which prevents performance of the contract or frustrates the contract. <i>FOR EXAMPLE ONLY:</i> <i>“...including but not limited to the following: riots, strikes, war, terrorism, flood [etc etc] and any other event beyond our reasonable control or due to an Act of God”.</i>
Confidentiality	Details of the agreement to be considered confidential between the parties.
Equal Opportunities	If adherence to Council’s Equal Opportunity Policy necessary.
Dispute Resolution	What happens in event of dispute – how will the dispute be settled eg with the help of <i>mediation</i> from a named body / individual or <i>arbitration</i> or via the <i>courts</i> .
Variation	Allowing parties to request a variation to the terms of the agreement. This clause should state that no amendments should be made to the agreement without the agreement of all parties concerned. Amendment should be required in writing and should be executed by all parties concerned.
Acknowledgement of funding	If Council requires recognition (publicity of some description) for the funding given for the project.

Clause Heading	Note
Non Detriment	That the other parties to the contract will not work to the detriment of other organisations supported by the Council.
Data Protection	If applicable.
Service of Notices	How the service of any notices is to take place – is fax and / or e-mail transmission acceptable?
Exclusion of the Contract (Rights of Third Parties) Act 1999	<i>FOR EXAMPLE ONLY: “For the avoidance of doubt nothing in this Agreement shall confer on any third party any benefit or the right to enforce any term of this Agreement”.</i>
Assignment	A clause may be required preventing parties to the agreement assigning benefits of the agreement to any other party.
Jurisdiction	That the Agreement is subject to the Laws of England.
Entire Agreement Clause	<i>FOR EXAMPLE ONLY: “The Parties agree that these terms and conditions expressly incorporated in the Contract represent the entire agreement between the parties relating to the refurbishment of the Community Centre Kitchen and that no statement or representations by either party have been relied upon by another in agreeing to enter into the contract”.</i>
Schedules	May appended to the contract containing ancillary information.
Testimonium	Stating that the parties consent to the terms of the agreement.
Attestation Clause	The execution of the agreement under hand or as a deed.

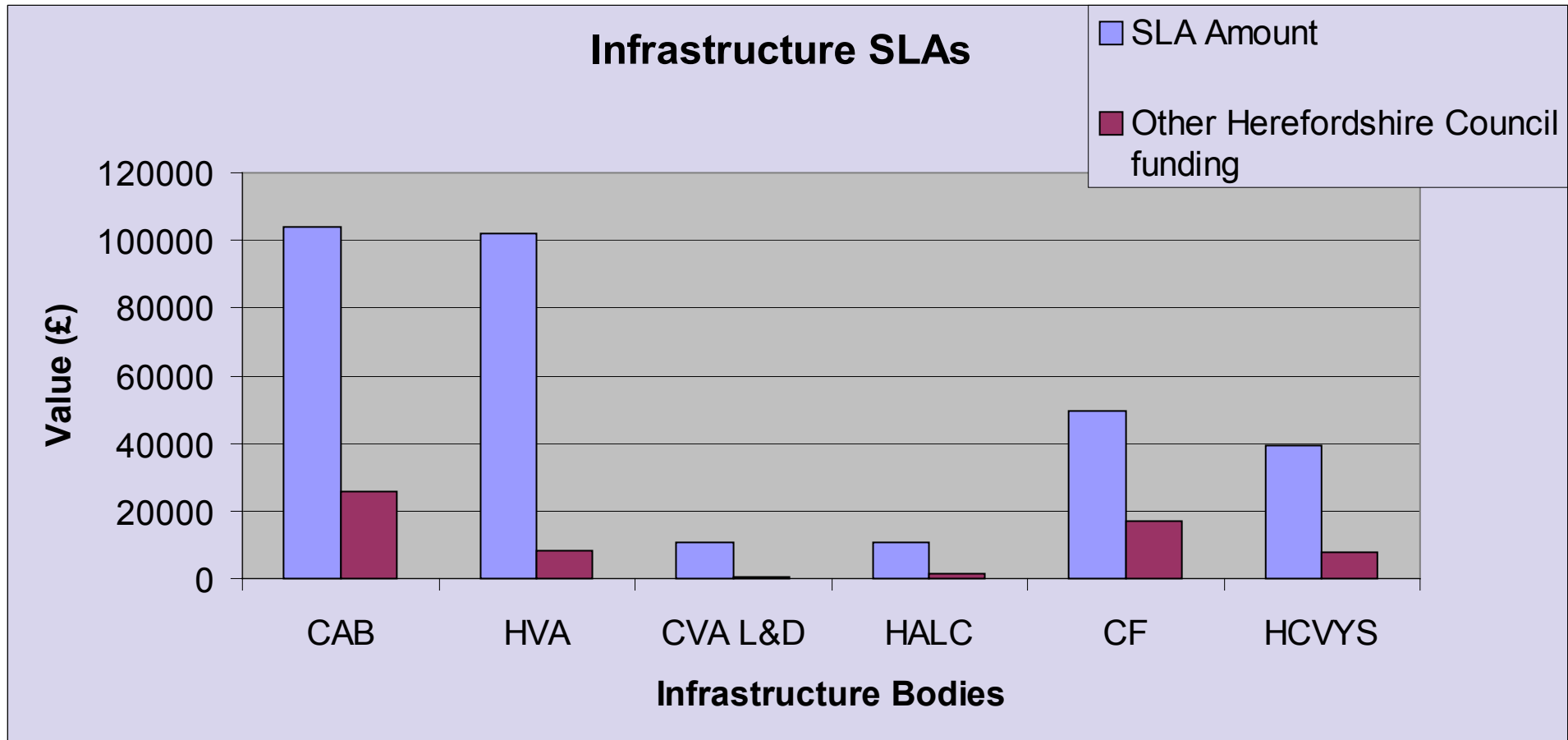
Service Level Agreements - Timescales

CAB	HVA	CVALD	HALC	Community First	HCVYS	ECHO	Hfds Sports Council	Ready Steady Win	Rural Media Company	One to One Befriending	Ross IT Centre
March 02	March 05	March 05	March 06	March 05	March 06	March 04	March 03	March 03	June 05	September 04	March 04



Service Level Agreements - Infrastructure Organisations

Organisation	Citizens Advice Bureaux	Herefordshire Voluntary Action	Community Voluntary Action Ledbury & District	Herefordshire Association of Local Councils	Community First	Herefordshire Council for Voluntary Youth Services
SLA Amount	£104,150	£101,980	£10,620	£10,500	£49,750	£39,425
Other HC Funding	£25,640	£8,110	£401	£1,593	£17,031	£8,000



Service Level Agreements – Other Organisations

Organisation	Various Arts & Culture Organisations	ECHO	Hfds Sports Council	Ready Steady Win	Rural Media Company	One to One Befriending	Ross IT Centre	Welcome to Our Future
Amount	£50,000	£13,750	£4,500	£4,500	£39,615	£15,500	£1,554	£10,750

