

BOROUGH OF KETTERING

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Report Originator	Shirley Plenderleith, Head of Public Services	<i>Fwd Plan Ref No:</i> A19/015	
Wards Affected	ALL	13 th November 2019	
Title	VOLUNTARY SECTOR GRANT AGREEMENT OPTIONS		

Portfolio Holder – Cllr Scott Edwards

1. PURPOSE OF REPORT

- 1.1 To ask Members to agree the best option going forward for delivering the Grant Agreements in the Borough.

2. INFORMATION

- 2.1. The Council has four-year Grant Agreements (previously known as Service Level Agreements) with voluntary organisations for the provision of a range of services linked to corporate objectives.
- 2.2. When the Council approved the four-year Grant Agreements (GA) at its Executive Committee on 16th November 2016 it did so with the caveat that it would review the funding for years three and four. The Council approved funding in November 2018 for 19/20 and 20/21.
- 2.3. The GAs commenced on 1st April 2017 with a value totalling £248,500; they are now in year three. Funding for the current GAs are as follows:

Specification	Annual Grant (£)	Organisation
Activities for Young People	13,250	Groundwork Northamptonshire
Activities for Young People	13,250	Youth Works CIC
Community Watch	5,000	Neighbourhood Watch
Debt and Money Advice	80,000	Citizens Advice Corby and Kettering
Discrimination Casework	5,000	Northamptonshire Rights and Equality Council
Healthy Living	10,000	Groundwork Northamptonshire
Housing Options	30,000	Citizens Advice Corby and Kettering
Independent Living	20,000	Age UK Northamptonshire

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Independent Living	20,000	Vine Community Trust
Shopmobility	13,000	Hearing, Health & Mobility
Upcycling	20,000	KCU Ltd
Voluntary Sector Local Infrastructure	19,000	Groundwork Northamptonshire

- 2.4. Service Providers sign GAs with Kettering Borough Council, which details obligations for both parties. Kettering Borough Council have the option of deferring or reviewing all or part of payment of the agreed grant where requirements in the agreement/service specification have not been met, subject to:
- A report to the Monitoring and Audit Committee and to the Executive Committee
 - Consultation with the organisation and other funders
 - The opportunity for the organisation to make a representation to the Executive Committee
- 2.5. Where performance is not on target, Lead Officers from across the Council meet with the Service Providers to look at developing an Action Plan to address this. Performance is monitored quarterly as well as a six-monthly appraisal to assess how the grant is being used. Regular reports are taken to Monitoring and Audit committee updating members on performance. The timetable for 2019/20 performance information can be found below.

Quarter	Date due at Kettering Borough Council
April - June 2019	12 July 2019
July - September 2019 (6 monthly Appraisal Form)	4 October 2019
October - December 2019	10 January 2020
January - March 2020 (6 monthly Appraisal Form)	10 April 2020

- 2.6. A similar timetable for performance returns will be agreed for 2020/21.

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2.7. Given that the current agreements are due to end 31 March 2021, consideration needs to be given to the impact of the proposed Public Sector Reform. In the proposed North Northants unitary areas, similar funding initiatives are set as below:

- Corby Borough Council's grants were agreed to be extended in July 2018 until 2024
- East Northants District Council's grants are due to end March 2020
 - Discussions are taking place as to three options that will be presented to Committee:
 1. Roll over the existing ones for one more year (indicated as the preferred option)
 2. Do nothing OR
 3. Run an application process for a one-year grant.
- Borough Council of Wellingborough's grants are due to end March 2020
 - There will be a paper (or rather a section within the budget papers) going to committee at the end of October, making members aware that at present the only item in the budget for next year is the contribution towards the Sunflower Centre as part of their Community Safety commitment.
 - There is the possibility of a form of reduced grants pot to invite bids for 2020-2021.

2.8. The table overleaf sets out the options open to the Council:

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	Key Characteristics	Benefits	Risks
<p>Option A</p> <p>Short Term Extension to Current GAs (ending 31st March 2023)</p>	<p>The current GA providers continue with current provision for a further two-years.</p>	<p>Continuity of services to vulnerable residents.</p> <p>Better alignment of the timeframes for the grants across North Northamptonshire.</p> <p>Improved opportunity for the new unitary council to decide on the future provision of support to vulnerable residents.</p>	<p>There could still be mis-alignment with the GAs applying in other parts of North Northamptonshire for the first few years after vesting day.</p>
<p>Option B</p> <p>GAs end on the 31st March 2021</p>	<p>Service provision against the specifications will cease.</p>	<p>Uncommitted funds within the annual budget.</p> <p>Doesn't commit the new unitary council to expenditure it has not agreed.</p>	<p>Would not allow much/any time for the shadow council to agree new GAs from vesting day.</p> <p>Potential reduction of services for vulnerable residents.</p> <p>Potential financial risk for voluntary organisations, particularly in a sector where many organisations have seen their funding decline over recent years.</p> <p>Adverse publicity for the Council(s).</p>

2.9. Given the balance of risks above, it is felt that Option A is the safer approach. This would mean that the twelve GAs would continue to be managed and delivered by the current providers. The GAs would remain between the current providers listed in 2.3 and Kettering Borough Council and then its successor, North Northamptonshire unitary.

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2.10. A decision will need to be made imminently due to the timescales required for any bid process, which for this type of agreements, typically can take up to 18 months.

3. CONSULTATION AND CUSTOMER IMPACT

3.1. There will be no significant operating impact on the end user of services by extending the GAs, and there is an opportunity to provide continuity of service going into the North Northamptonshire authority.

3.2. If Members agreed to Option A, this would also allow the voluntary sector to plan and develop services in line with the requirements of public sector reform, while enabling vulnerable residents to experience continuity of support.

3.3. Extending the GAs would provide a level of financial stability and sustainability for the voluntary sector going into North Northamptonshire authority.

3.4. Option A also provides an opportunity to strengthen the Performance Indicators and to review the service specifications, to ensure best value from the continued investment, in discussion with the GA holders.

4. POLICY AND RESOURCE IMPLICATIONS

4.1. GA funding to the voluntary sector continues to contribute towards the Council's corporate objectives.

4.2. If Members were to agree to continue to fund the GAs the financial commitment by the Council would be for £248,500 per annum.

4.3. If the decision to continue funding for a further two years, additional savings in officer time and the avoidance, for both voluntary sector and the council, of the costs associated with a bid submission process would be realised.

4.4. Should an extension be agreed to fund the GAs for a further two years, the funding would cease as of the 31st March 2023. This would afford an improved opportunity for the new unitary council to decide on future provision.

5. LEGAL AND EQUALITY IMPLICATIONS

5.1. As these are considered as grants by the Council, procurement rules do not apply and there will be no procurement implications flowing from awarding new agreements.

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5.2. If Members agree to continue with the grant funding, it would also afford the Council the opportunity to review and strengthen the current agreements, alongside the service specifications.

6. CLIMATE CHANGE IMPLICATIONS

6.1. The Council and its partners are committed to ongoing improvements to combat climate change implications and will continue to work with them to reduce carbon footprint where possible. Several of the GAs make a positive contribution to climate change objectives and outcomes.

7. RECOMMENDATION

7.1. That Members agree to extend the current GAs as set out in Option A, in the table of paragraph 2.8.

7.2. That Members delegate authority to the following Head of Public Services in consultation with the Chief Legal Officer and Head of Resources to make the necessary contractual changes.

Background Papers:

Title	Executive Reports
Date	16 th November 2016 14 th November 2018
Contact Officer	Shirley Plenderleith, Head of Public Services

Previous Minutes/Reports:

Ref:

Date: