1. **PURPOSE OF REPORT**

To consider the Research and Development Committee report of the Voluntary Sector Task and Finish Group and to make decisions about the future procurement of services from the voluntary sector.

**2. INFORMATION**

2.1 At its meeting on 1st June 2011, the Research and Development Committee identified support to the Voluntary Sector for inclusion on the Committee’s work programme as a Task and Finish Group.

2.2 The objectives set by Research and Development were to:

*"1. Understand the present situation with regard to KBC and NCC funding agreements.*

*2. Identify other sources of support / funding available to the voluntary sector now and in the future.*

*3. Establish and capture what is known about current needs within the Borough – both of the sector and their customers.*

*4. Investigate how other areas support the voluntary sector.*

*5. Develop options for sustainable service delivery for future years.”*

2.3 The Task and Finish Group met on six occasions and consisted of Councillors Soans (Chair), Bayes, Bain, Brown and Corazzo. The scrutiny was undertaken between January 2012 and May 2012. During this period:-

* the County Council was continuing to consult on its Prevention Strategy ‘Helping you to help yourself: shaping prevention and demand management in Northamptonshire 2011- 2016’,
* the Health and Well Being Boards were being established and
* the Welfare Reform Bill received Royal Assent and became an Act on 8th March.

2.4 The Task and Finish Group kept abreast of all these developments.

* 1. The report which is attached at Appendix A, addresses the overall pressures on the sector, the scale of KBC support for the sector, and the priorities that have been identified by the Task and Finish Group for funding in future years.
  2. Members of the Executive are well versed in the Council’s aspirations for a ‘triple zero’ budget strategy. Part of this is the desire not to reduce the size of the funding envelope made available to the voluntary sector as a whole. The Council’s budget guiding principles also state that the Council should not provide substitute funding for organisations as a result of public sector funding reductions elsewhere. As such, the current budget for voluntary sector funding of c£300,000 per annum is the sum that is currently being used as a basis for any future funding allocations (no less and no more).
  3. In considering this report, the Executive Committee will also be aware of other strands of activity involving the sector in particular:-
* co location and sharing of resources, as with the CAB’s move into the Municipal Offices . The report advocates further sharing of resources.
* the degree of support for the sector as a whole, which goes significantly beyond the grants paid under Service Level Agreements, (the scale of total support is shown in the table enclosed in the report and totals £1.5m/year) and includes rent free premises for organisations, such as the Green Patch, which are not supported by a SLA grant.

**3. DISCUSSION AT RESEARCH AND DEVELOPMENT COMMITTEE**

3.1 Research and Development Committee considered the Task and Finish Group report on 18th June 2012. (Attached as Appendix 'A'.)

3.2 The Recommendations of the Task and Finish Group, were all agreed without amendment, as follows:-

*1. Increase the Small Grants budget by considering options including the following:-*

*(i) allowing councillors to put some or all of their Ward Initiative Funds into the programme*

*(ii) not allowing rollover of Ward Initiative but put any annual under-spend into the Small Grants programme*

*2. Revise the Small Grants form to make self help easier.*

*3. Continue with the current policy for mandatory and discretionary rate relief until there is greater certainty about the future regime and what the options and implications are for the Council.*

*4. Investigate all those suggestions for In Kind Support that are practical and can make a difference as long as they don’t have an adverse impact on the medium term financial strategy (MTFS).*

*5. Continue to respond to opportunities for co- location and use of council buildings for where there is a business case.*

*6. Set the budget for affordability of Service Level Agreement grants at a maximum of £300,000.*

*7. Adopt the descriptions for future commissioning as set out in the attached table Appendix D.* (This is reproduced as Appendix C in this Executive Report).

1. *Endorse the four grades*
2. *Agree to the key outcomes described*

3.3 At the Research and Development Committee meeting, a presentation was made by three representatives of the voluntary sector in favour of the continued funding of a voluntary sector infrastructure organisation. The subsequent debate resulted in a combined set of three amendments being proposed, which were taken together and defeated. These were that:-

(i) that Recommendation 1 (ii) be removed;

(ii) the following new recommendation should be added :

*‘remove Grade 2 (from the table in Appendix B to the Executive Committee report) and re-instate Grade 4, and endorse the Grades thereafter’* ; and

(iii) re-label the reserve fund to become a transition fund that will enable groups who lose their funding to survive for a further year.

3.4 In respect of the proposed new priority on employment and enterprise, there has, since the Task and Finish group completed its work, ideas for new support services to business emerging within the county, Therefore, if this proceeds as a priority there will need to be a review of how a Borough Council funded service compliments the Work Programme and Job Clubs that already exist. The current gap is face to face transformational support to existing small and micro businesses: when they want to grow the business; become more profitable; or employ more people.

3.5 When considering whether it endorses the Research and Development recommendations the Executive is particularly asked to consider:

* The timetable and process for award of Service Level Agreements (SLAs)
* The affordability envelope for total amount of grant
* The specifications to be developed

**4. TIMETABLE AND PROCESS**

4.1 Existing SLAs automatically end on 31st March 2013. The suggested timetable, which will allow a 3 month lead-in for any changes, is:

* July - Executive considers the report of Research and Development Committee and decides the affordability envelope and the specifications to be developed. (Members will be aware of the Council’s budgetary *golden rules* about new expenditure, and the additional commitment not to reduce the amount of funding available to the voluntary sector in SLA grants.
* September – Executive agrees priorities together with service specifications and funding emphasis
* End of October closing date for applications for grant
* Beginning of November officer evaluation panel
* Mid November – opportunity for Providers to present to a Working Group
* December - Executive decision on award of grant

4.2 The Funding Process is described in Appendix B, which is the same as that used when the current SLAs were awarded four years ago.

**5. CONSULTATION AND CUSTOMER IMPACT**

This is described in detail in both the report to the Research and Development Committee and the report of the Task and Finish Group.

**6. POLICY IMPLICATIONS**

6.1 Having reconsidered the discussion of the Research and Development Committee, as outlined above, the Executive is asked to give particular consideration to recommendation 7 of the Research and Development Committee, which is to:

Adopt the descriptions for future commissioning

1. Endorse the four grades
2. Agree to the key outcomes described

6.2 These are reproduced as Appendix C to this report.

6.3 Suggestions have been made about increasing funding for certain services (Grade 1) and introducing a new service (Grade 2). This is in response to changing needs, particularly the expected impacts of the Welfare Reform Act on the ability of both the Council and the voluntary sector to manage an increase in workload, particularly in the first few years of the new systems. A further recommendation is that some existing services are no longer relative priorities (Grade 4).

6.4 Equality Impact Assessment process will need to be applied on those new and changed services. An equality impact assessment involves assessing the likely or actual effects of policies or services on people in respect of disability, age, gender, sexual orientation and racial equality. It helps us to make sure the needs of people are taken into account when we develop and implement a new policy or service, or when we make a change to a current policy or service.

**7. FINANCIAL RESOURCE IMPLICATIONS**

* 1. The terms of reference that the Task and Finish group worked within included the need to comply with the Council’s budget and financial strategy guiding principles. Therefore, the current budget of c£300,000 per annum has been used – this is the same budget level as the current year.
  2. The Task and Finish Group worked on the basis that £300,000 was the ceiling for voluntary sector support grants (leaving aside the support in kind and rate reliefs) and their recommendation that the budget for affordability of Service Level Agreement grants be set at a maximum of £300,000 was agreed by R&D (Recommendation 6 of their report)..

**8. LEGAL IMPLICATIONS**

8.1 Equality Impact Assessment process will need to be applied on those new and changed services.

8.2 Service Level Agreements need to be negotiated.

**9. RECOMMENDATION**

(i) that the Research and Development Committee's recommendations are adopted in full; and

(ii) The timetable and process for agreeing detailed specifications for each area of activity, and implementing the new Service Level Agreements, as set out in this report, including the carrying out of a full equality impact assessment, be endorsed.

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| Background Papers: | Notes of the Voluntary Sector Task and Finish Group |
| Title |  |
| Date | Various between January and May 2012. |
| Contact Officer |  |

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| --- | --- |
| Previous Minutes/Reports: | Report to Research and Development Committee |
| Ref: | Minute No. 12.RD.05 |
| Date: | 18th June 2012 |