

Chichester District Council

OVERVIEW AND SCRUTINY COMMITTEE

17 November 2015

Infrastructure Support to the Voluntary and Community Sector – Review of funding for Voluntary Action Arun and Chichester

1. Contacts

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2. Recommendation

The Overview and Scrutiny Committee is requested to:

- 2.1. **Note this report from the Grants and Concessions Panel.**
- 2.2. **Agree that a review is carried out by the Panel in January 2016 at the conclusion of the current Funding Agreements and that the Panel makes recommendations regarding renewal.**

3. Background

- 3.1. In March 2013, Cabinet agreed to enter into an agreement with West Sussex County Council to receive monies in order to commission support to the Community and Voluntary Sector for the period to March 2016.
- 3.2. As an agreement between this Council and Voluntary Action Arun and Chichester (VAAC) was in place to deliver these services in the District until March 2014, WSCC agreed to the first year's funding being added to existing arrangements while consideration was given to the most appropriate future option. A Task and Finish Group of the Overview and Scrutiny Committee was established in the autumn 2013 to consider what support was necessary, to develop a specification and consider how a service could be procured.
- 3.3. The Task and Finish Group, under the chairmanship of Cllr Mrs B Tinson, was mindful of the historic funding arrangement with VAAC and ultimately concluded that they were singularly placed to deliver appropriate support to the sector. A specification of anticipated outcomes was recommended to Cabinet and funding for the period to March 2016 was agreed (a grant of £42,400 per annum to March 2016).
- 3.4. The Overview and Scrutiny Committee's work programme for 2015/16 includes the setup of a task and finish group to review VAAC performance and the specification for any future delivery as part of the contract renewal procedure due in March 2016. This report sets out the current position.

4. Progress

- 4.1. Having entered into a funding agreement in April 2014, officers have overseen the relationship with VAAC in delivering the services considered necessary for the support and growth of the sector.
- 4.2. Key activity during that period has included:
 - (a) Agreeing and implementing an appropriate monitoring system to enable reporting to the targets within the new agreements with each core funding Authority (WSCC and Chichester and Arun District Councils). The Annual Report 2014/15 (Appendix 2) reflects the type of monitoring now produced.
 - (b) Focus on governance, targeting trustee recruitment and achieving a PQASSO quality mark. PQASSO covers all aspects of management and governance of a charity and is the quality standard for voluntary organisations endorsed by the Charity Commission. They are due to find out the outcome of their PQASSO assessment in November.
 - (c) A Funding E-bulletin and monthly Fundraiser network has been established with both proving popular with Chichester area groups. Fundraising continues to be the most commonly requested type of support through the VAAC Development Team. From a sample survey of organisations VAAC identified that during 2014/15: "As a result of support from the Development team directly relating to making funding bids (either via 1-1s, funding searches or the Funding Network) 23 organisations reported submitting bids to a total value of £1,636,514. Of these 17 organisations were successful in achieving £647,932, with £81,601 bids pending decision."
 - (d) A renewed focus on reaching out to smaller groups has been evidenced (with promotional community events held in both Midhurst and Selsey). In line with the recommendations of the Report from the Task and Finish Group, VAAC has also supported a range of profile raising events for the voluntary sector including: the Chichester in Partnership 'Showcase' event in January at the Novium, which provided an opportunity for Councillors and keyworkers from partner organisations to find out about different projects supporting local people. VAAC also presented to the All Parishes meeting.
 - (e) Most recently, through consultation with member organisations VAAC developed a new Strategic Business Plan, identifying the areas where they would like them to focus future activity and support services.
- 4.3. In monitoring the funding provided to VAAC, Grants and Concessions Panel received an annual update report in January 2015, looking at activity from April to November 2014. The summary is appended to this report.
- 4.4. It is anticipated that a comprehensive report covering both the year to November and achievements over the full period of the agreement will be prepared for Grants and Concessions Panel for their January 2016 meeting. Indications are that the service has performed well and it is reasonable to consider that an extension of the current funding arrangements might be proposed without repeating the more fundamental review prompted by the joint funding relationship with WSCC in 2013.

5. Funding

- 5.1. Anticipating the end of the current funding agreement, officers had been seeking early engagement with WSCC regarding their funding intentions beyond March 2016. While the agreement was only until that date, it was anticipated that a form of the service would be necessary beyond that time and that timely discussions about the level of funding available would be essential. Despite initial meetings with officers and suggestion of an extension year, aside from reference to reductions in funding for Health services, at this stage no clear information has been given about WSCC's funding intentions. In honouring commitments made in our Funding Agreement, we have therefore formally notified VAAC that the current agreement will cease in March 2016 and currently, no commitment can be made to funding beyond that time.
- 5.2. Responsibility for this contract within WSCC has shifted during discussions about renewal. It is hoped that some clarity on their position will be available soon and there are meeting dates scheduled for early November, but at this time it has been impossible to discuss meaningfully with VAAC about service delivery beyond March 2016. The service they provide is dependent on both the joint monies that are paid through our own Funding Agreement, and a similar arrangement between WSCC and Arun District Council.

6. Options

- 6.1. While Grants and Concessions Panel will consider a detailed annual report on the service in January, there is a concern that engagement with VAAC will be necessarily dominated by concerns over future funding.

- 6.2. At this time, the potential scenarios include:

(a) WSCC confirm a continued intention to commission Voluntary and Community Sector support across the county but identify a reduced level of funding available. In this scenario and understanding Arun's funding intentions, discussions could determine a level of service that VAAC could continue to provide locally. However, this may require some bridging, with funding agreed for at least 6 months before a revised Funding Agreement could be negotiated.

(b) WSCC confirm a reduced level of funding available and seek a different service for the sector across the County. This scenario could result in:

- (i) Current providers, including VAAC are pushed towards consortium forming, further mergers or economies of scale with counterparts across West Sussex.
- (ii) A county wide commissioned service from a new provider

In either scenario, the Council will need to consider the local impact and interim arrangements would need to be put in place both to support the wider voluntary and community sector and to give VAAC due notice.

7. Next Steps

- 7.1. Mindful of the uncertainties outlined above, it is hoped that by the time a full report is presented to Grants and Concessions Panel in January 2016, the way

forward will be clearer and informed decision-making will be possible. Recommendations from the Panel can be made to Overview and Scrutiny Committee and thereby to Cabinet, to ensure appropriate arrangements are in place from April 2016.

8. Appendices

- 8.1. Appendix 1 – Summary Report to Grants and Concessions Panel January 2015
- 8.2. Appendix 2 – VAAC Annual Report 2014 - 2015

9. Background Papers

- 9.1. Cabinet Report – Report from the Voluntary & Community Services Task & Finish Group, 7 January 2014