

Voluntary, Community and Faith Sector Commissioning Funding Recommendation

16th January 2018

Report of Overview and Scrutiny

PURPOSE OF REPORT			
To request Cabinet to consider the recommendation of the Overview and Scrutiny Committee regarding Voluntary, Community and Faith Sector Commissioning funding.			
Key Decision		Non-Key Decision	Referral from Overview & Scrutiny
			X
Date of notice of forthcoming key decision.			N/A.
This report is public.			

RECOMMENDATIONS OF THE OVERVIEW AND SCRUTINY COMMITTEE

(1) That Cabinet be recommended to retain the current status quo regarding voluntary community and faith sector commissioning grant funding for 2018/19.

1. Introduction

1.1 To consider the recommendation of the Overview and Scrutiny Committee regarding Voluntary, Community and Faith Sector Commissioning funding for 2018/19.

2. Proposal Details

2.1 The Overview and Scrutiny Committee considered a report of the Voluntary, Community and Faith Sector Commissioning Informal Task Group at its meeting held on 10th January 2018.

2.2 Prior to consideration of the Informal Task Group report the Committee received presentations from all of the voluntary organisations who currently receive funding from the City Council.

2.3 Councillor Thynne then presented the findings and recommendations of the Informal Task Group.

2.4 The Overview and Scrutiny Committee expressed concern over the work the Task Group had undertaken and its findings as they did not concur with the Terms of Reference of the Task Group that had been agreed by the Committee. It was felt that the Task Group had not gathered evidence from stakeholders or service providers to make recommendations to review the commissioning framework.

- 2.5 The Committee discussed how to move forward with this piece of work. In terms of timescales, it was noted that additional time would be required to consider more evidence based options for the future.
- 2.6 The Committee recommended: -
- (1) That the representatives from the agencies be thanked for their attendance at the meeting and their informative presentations.
 - (2) That Cabinet be recommended to retain the current status quo regarding voluntary community and faith sector commissioning grant funding for 2018/19.**
 - (3) That the Overview and Scrutiny Committee look at the voluntary community and faith sector commissioning framework and other issues raised and report back to Cabinet within the next financial year.
 - (4) That Members of the Budget and Performance Panel be invited to Overview and Scrutiny Committee meetings when the voluntary community and faith sector commissioning framework is being considered.
- 2.7 Cabinet is requested **to consider recommendation (2) only** as set out within this report.

3. Options and Options Analysis (including risk assessment)

3.1 The options available to Cabinet are:-

- 1 To accept the recommendations of Overview and Scrutiny.
- 2 Not to accept the recommendations of Overview and Scrutiny.
- 3 To make alternative proposals to those recommended by Overview and Scrutiny.

4 Overview and Scrutiny Preferred Option (and comments)

4.1 That recommendation (2), as set out above, be accepted.

5. Conclusion

5.1 Cabinet is asked to consider recommendation (2) of the Overview and Scrutiny Committee.

RELATIONSHIP TO POLICY FRAMEWORK

The recommendations, as set out in this report, assist the City Council in meeting the Corporate Plan priorities for Community Leadership and Health and Wellbeing.

VCFS organisations currently provide a range of advice and information, infrastructure support and volunteer coordination services to vulnerable people in line with corporate priorities in the 2016 – 2020 Corporate Plan.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There are no implications as a result of this report.

LEGAL IMPLICATIONS

There are no legal implications arising from this report. Any contracts that are being carried over will need to be reviewed by officers with input from Legal Services.

FINANCIAL IMPLICATIONS

It is not expected that there will be any immediate additional financial implications arising should the current 'status quo' continue for a further 12 months, noting that the total unallocated Voluntary, Community and Faith Sector (VCFS) grant funding for 2018/19 is £264.2K including 2.6% inflation. This assumes that administrative tasks such as issuing SLA's and making of grant payments to existing VCFS partners and associated monitoring / reporting of performance can be absorbed within existing staff resources, however.

Any future support will need to be considered as part of the planned/ongoing VCFS Commissioning of Service, including the Ridge Community and Marsh Community Centres falling under the Housing Revenue Account, for which there is a budget of £29K for the Ridge Community Centre in 2018/19 and a growth request for continued funding in 2018/19 totalling £14.4K for the Marsh Community Centre - see report elsewhere on the agenda.

In terms of undertaking such a review or future VCFS commissioning, it is reiterated that there is currently no existing resource identified to do this work. Furthermore, the Council does not have the required skill set or knowledge in place in order to perform the required detailed assessments.

As an alternative, the Community Foundation for Lancashire & Merseyside (CfLM) is a charitable organisation with the necessary knowledge and resources needed to fulfil these obligations on the Council's behalf. They have experience in operating in a changing economic climate and work proactively to be fit for purpose and relevant within the local community. They have strong links with businesses, philanthropists and other charitable organisations and are able to assess and keep up-to-date with the complex and rapidly changing issues with the sector, as well as being able to identify other sources of funding and expertise in areas such as volunteering.

CfLM already administers the 'Small Grants' fund on the Council's behalf and have advised that for a fee of 5% of the total VCFS budget, they can administer the 'status quo', i.e. to process payments and manage the monitoring and reporting of the performance of VCFS partners. In addition, for a fee of 12% of the VCFS budget, they can provide a full review of current arrangements; reassess the district's needs and determine value for money investments in line with corporate priorities and make recommendations for the way forward, in line with the Council's statutory obligations to secure best value.

The following table shows the impact of the in-house option for 'status quo' and a full review to move towards a commissioning approach compared with the CfLM proposal on the current VCFS 2018/19 draft budget and assumes that any additional in-house resource / CfLM fees would be top sliced from within existing VCFS grant funding as opposed to budget re-direction / (growth), noting that in comparison, it is likely to cost up to an additional £34.9K (top of Grade 4) to undertake the equivalent CfLM 'Full Review' option in-house.

Top Sliced	Draft 2018/19 Budget	Cost	Amount Available for Distribution
	£	£	£
Status Quo			
Option 1 – LCC Status Quo	264,200	0	264,200
Option 2 – CfLM 5%	264,200	13,200	251,000
Full Review – Commissioning			
Option 1 – LCC In-House	264,200	34,900	229,300
Option 2 – CfLM 12%	264,200	31,700	232,500

Should options be considered that do not reduce VCFS funding, either to undertake a full review in-house or for the fees proposed by CfLM, then the costs shown above will be in addition to the current budget provision and will need to be treated as a growth item during the annual budget process.

It is re-iterated again, that undertaking a full and proper review in-house is dependent on having the appropriate skill set / background knowledge in place and being able to adapt quickly to changing complex issues as and when they arise, and so it is unlikely at this stage that any future commissioning benefits could be implemented in-house by 1st April 2019, without additional specialist advice being procured at a further cost to the Council.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None arising from this report.

Information Services:

None arising from this report.

Property:

None arising from this report.

Open Spaces:

None arising from this report.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments, other than to reiterate the Council's general obligations to secure continuous improvement in the way that it delivers its functions, having regard to value for money.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

None.

Contact Officer: Stephen Metcalfe

Telephone: 01524 582073

E-mail: simetcalfe@lancaster.gov.uk