



Derby City Council

COUNCIL CABINET
Date 21 January 2015

Report of the Cabinet Member for Adults and Health

ITEM 15

Extension of Grant Aid Agreements and Updating the VCF Grant Aid Strategy Outcomes

SUMMARY

- 1.1 The Council and Southern Derbyshire Clinical Commissioning Group (SDCCG) currently have grant funding agreements with Voluntary and Community and Faith (VCF) Sector organisations for a range of preventative and infrastructure services.

The three year agreements were established after a grant funding process in 2011-12 and are due to end in March 2015. Appendix 2 provides a list of agreements. The current total of the funding provided for these services is £878,329, of which £577,237 is Council funding and £301,092 is SDCCG funding.
- 1.2 A review of the monitoring, annual review and other information provided by these organisations has confirmed that they are able to provide cost effective services that meet or exceed their output and outcome targets. Current services support hard to reach sections of the community and vulnerable people who, without these services, may be at risk of requiring additional intensive support from health and social care.
- 1.3 The Council and SDCCG have developed joint draft outcomes for preventative services that will support the Derby Plan, the draft Derby Health and Wellbeing Strategy and the implementation of the Care Act, draft outcomes are set out in Appendix 3. A joint Council and SDCCG consultation exercise, based on these draft outcomes, has been arranged that will run in parallel with the consultation on the Health and Wellbeing Strategy. It is proposed that after these consultation exercises, and subject to confirmation of the Council's 2015-16 Revenue Budget a final set of operational grant aid outcomes will be used to inform a joint grant aid process in April and May 2015.
- 1.4 To meet the timelines for consultation on the joint outcome and a potential grant aid process it is necessary to extend the existing grant aid agreement commitments for a further six months to the end of September 2015.

RECOMMENDATION

- 2.1 To note the Council and SDCCG consultation on joint outcomes for grant funded services for adults.

- 2.2 To approve the extension of existing grant funding arrangements until 30 September 2015.
- 2.3 To consider a further report in March 2015 on the results of the consultation exercise and recommendations for a joint grant funding exercise in April-May 2015.

REASONS FOR RECOMMENDATION

- 3.1 The current funding agreements for the services listed in Appendix 2 come to an end in March 2015. The Council has identified that VCF grant aid has the potential to support the Council's priorities and has identified funding for grant aided services within the proposed 2015-16 Revenue Budget consultation.
- 3.2 The extension of current agreements to September 2015 provides an opportunity to:
- update the outcomes for VCF Grant Aid Strategy to reflect current priorities and changes in the way that social care and health services are delivered in the City
 - carry out a joint grant aid process that will seek applications from VCF organisation to meet these updated outcomes. This will provide recommendations for a new set of VCF grant aid agreements and an equality impact assessment on these recommendations to a Cabinet meeting in June 2015
 - provide continuity of service for service users who are supported by currently funded services that are successful in the proposed grant aid process



SUPPORTING INFORMATION

- 4.1 During 2011/12 the Council approved a revised Grant Aid Strategy for VCF sector organisations which contributed to the Council's outcomes contained within the Derby Plan. The Strategy initiated a grant bidding process where VCF organisations could submit applications for funding of projects that supported the Strategy's outcomes.

Derby City PCT agreed to join the grant bidding process, providing funding and contributing to a set of joint grant service specifications.

In September 2011 the Council and PCT confirmed grant aid funding for 43 services that supported the shared health and social care outcomes for adults services. In addition, funding was allocated to gaps in services where it was identified there was a need for further action. The total allocated was £1,257,391 by the Council, £444,366 by Derby PCT a total of £1,701,757 annually for a 3 year period, ending in March 2015.

In 2013-14 Southern Derbyshire CCG took on responsibility for the health contribution to the management of the joint funded agreements following the ending of PCTs in the Health and Care Act 2012.

4.2 End of Agreement Review

In 2014 officers reviewed the services provided by the organisations listed in Appendix 2 to assess the cost effectiveness and impact of these services. The review drew on monitoring information, annual reviews, independently examined accounts and other information provided by the organisations.

The majority of services met or exceeded the output and outcome targets in their funding agreements and provided cost effective services. Value for money for grant aid funding was provided by through, for example:

- the use of volunteers
- links to other statutory and voluntary services
- leveraging in additional funding
- accessing hard to reach sections of the community
- providing services that responded to the views and issues of their service users

- 4.4 Officers were satisfied in the performance of the services and the ability of VCF services to provide value for money services as listed above.

4.6 Equalities Impact

If the recommendations contained within this report are accepted there will not be any immediate equalities impact. A full equalities impact assessment will be part of the

report on the consultation exercise and proposals for a grant aid process in March 2015.

4.7 Responding to New Developments

The Council and SDCCG are partners in the new Health and Wellbeing Strategy that will be consulted on in January and February 2015. This Strategy provides an overarching framework for improving health and wellbeing across all health and social care services.

The draft joint outcomes for grant aided services (set out in Appendix 2) will support the Council and SDCCG to work with the VCF sector to implement the final Health and Wellbeing Strategy, the Derby Plan and the Care Act. They will ensure that the outcomes from grant aided services directly support the delivery of these wider initiatives.

OTHER OPTIONS CONSIDERED

5.1 The following alternative options were considered:

- a) Allow currently funded grant aid agreements to expire at their end date on the 31st March 2015 without allocating time for a VCF grant aid bidding process.

This option was rejected because there was a risk that currently funded services might have to close and then restart if they were successful in the grant bidding process. This would lead to:

- a break in service for service users and communities who are supported by current grant aided services
- the loss of staff and volunteer expertise
- inefficient use of grant and voluntary sector financial resources and the potential loss of funding levered in by grant aid funding.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Olu Idowu Toni Nash Liz Moore N/A Perveez Sadiq
For more information contact: Background papers: List of appendices:	Ian Chennery 01332 642753 ian.chennery@derby.gov.uk None Appendix 1 – Implications Appendix 2 – List of grant aided projects affected by this report Appendix 3 - Draft Council and SDCCG joint outcomes for preventative services

IMPLICATIONS

Financial and Value for Money

- 1.1 The Council funds the voluntary sector through a range of grants. Some grants come via central government or external agencies and some grants are made directly by the Council from its own general funds. The financial figures in this report relate to funds that are controllable by the Council and not one off or specifically time limited funds.
- 1.2 In 2014-15 the level of Council funding allocated for the organisations contained within this report was £577,237. The extension of the timeframes by approximately six months will have an approximate impact of halving the budgeted savings of £100,000 identified within the 2015-16 Revenue Budget proposals for Adult Health and Housing VCF grant funding. The six month extension will be met by the budget risk reserve.

Legal

- 2.1 The principles of effective consultation require a consultation process to:
 - be conducted at a time when the proposals are still at a formative stage
 - give sufficient reasons to enable intelligent consideration and response
 - provide adequate time for consideration and response
 - have its outcome “conscientiously taken into account” when the proposals are finalised

Personnel

- 3.1 The extension of the existing grant aid agreements for the services within this report provides for a 12 week notice period for organisations whose funding is reduced or ended in the proposed grant aid process. This will allow the organisations to manage any personnel implications.

IT

- 4.1 There are no health and safety implications arising from this report.

Equalities Impact

- 5.1 The extension of funding agreements will not have an immediate impact upon people from the protected characteristic groups. The existing grant funding agreements require organisations to comply with equalities legislation and to monitor the equality groups that their service users are from. They are required to review their equalities performance annually and develop an equalities improvement plan that is proportionate and appropriate to their service.

Health and Safety

6.1 There are no health and safety implications arising from this report.

Environmental Sustainability

7.1 There are no health and safety implications arising from this report

Property and Asset Management

8.1 There are no health and safety implications arising from this report

Risk Management

9.1 There are no health and safety implications arising from this report

Corporate objectives and priorities for change

10.1 The report supports the Corporate objective to promote self-reliance and resilience in communities so that people are less dependent on public services.