



DERBY CITY COUNCIL

**CABINET**  
**14 December 2010**

Report of the Strategic Director of Adults,  
Health and Housing

**ITEM 13**

## **Voluntary Sector Grant Aid Strategy 2011- 2015**

### **SUMMARY**

- 1.1 The Council is reviewing its Voluntary Sector Grant Aid strategy to ensure it helps deliver the aims of the new plan for the city, the Derby Plan. The Derby Plan has been drawn up following extensive consultation and participation from Derby residents and city partners. It focuses on three main themes: People, Place and Prospects. The Voluntary Sector Grant Aid Strategy will help Derby create a strong, cohesive society where families, networks, neighbourhoods and communities work together to build the Big Society.
- 1.2 The Council remains committed to supporting the Voluntary Sector as a city partner and provider of valued community services. It has signed a Compact with the sector and will conduct its business in compliance with the terms of the Compact.
- 1.3 It is proposed there is a period of consultation on the Grant Aid Strategy. Groups currently in receipt of grant aid have already been alerted that their future funding cannot be guaranteed as the Council needs to ensure it funds organisations that support its strategic priorities and offer excellent value for money. An open grants round will be run where groups can apply to provide services against the Council's stated commissioning intentions. The grant aid pot from controllable council budgets will be £1.971 m for 2011/12.

### **RECOMMENDATION**

- 2.1 To provisionally approve the Grant Aid strategy and its key funding themes as set out in sections 4.5 to 4.8 of this report and approve the process for commissioning voluntary sector services for 2011-15.
- 2.2 To undertake a 12 week consultation on the proposed Grant Aid strategy.
- 2.3 To receive a report back to Cabinet in April 2011 to ratify the Grant Aid Strategy in light of the feedback from the consultation.

### **REASONS FOR RECOMMENDATION**

- 3.1 The Council needs to ensure all resources are used to the maximum benefit of Derby people. It is in the process of adopting a new city plan, the Derby Plan, and it is therefore appropriate to review the use of grant aid funding to ensure it supports the

objectives of the Derby Plan and offers excellent value for money.

3.2 The process set out in the report ensures compliance with the Compact.

## SUPPORTING INFORMATION

- 4.1 The council wants to work with voluntary organisations to help maintain and improve the quality of life for everyone in Derby. It recognises the major part played by the Voluntary, Community and Faith (VCF) sector in achieving this. It is committed to building on the positive partnership it has with many voluntary organisations. Partnership means working together for common aims in a spirit of mutual respect.
- 4.2 The Council is facing unprecedented challenge in its role as a place-shaper, commissioner and provider of public services. It is becoming the most efficient Council it can through the One Derby One Council transformation programme however local government will have significantly less resources over the next four years as steps are taken by the government to improve the country's financial situation.
- 4.3 This strategy seeks to provide a framework to maximise the value and benefit of voluntary sector support to the people of Derby through grant aid. It is important to recognise that this is **not** the **only** way the Council will give funding to the sector. It will still remain an important partner in the provision of contracted services and those opportunities are likely to grow, not diminish, as the Council takes a fundamental look at how services are provided.
- 4.4 Derby City Council wants to contribute to building a strong, cohesive society where families, networks, neighbourhoods and communities work together to build a Big Society where people:
- Shape local services through active participation in the planning, design and delivery of services
  - Problem solve on local issues
  - Participate in local spending decisions such as the devolved Neighbourhood budgets
  - Provide mutual aid and assistance to each other
  - Increase civic participation

We believe the Voluntary, Community and Faith sector has a key role in helping us achieve these objectives.

4.5 Our VCF grant aid strategy is based on the three themes of our new Sustainable Communities Strategy:

- People
- Place
- Prospects

As well as supporting outcomes against the three themes, the Council will continue to support voluntary sector second tier organisations that help support and develop the voluntary sector itself.

4.6 **(a) People**

We want to target our resources to help improve outcomes for people whose circumstances make them vulnerable and/ or disadvantaged such as frail older people, people with learning disabilities, people with mental health needs, disabled people and people from minority ethnic communities.

There are still significant and growing gaps in outcomes for children and young people. Currently early intervention services are not well-developed which is leading to pressure on targeted and specialist services. Significant numbers of children are staying in care.

We will commission services from the VCF sector that:

- Prevent escalation to more intensive support services and provide an early intervention if something has happened to stop things getting worse
- Provide targeted family intervention services which reduce the number of children and young people coming into care;
- Provide targeted support to young people at risk of or experiencing exploitation; and
- Provide advocacy so people are able to navigate complex systems to get the help they need, including help with support planning and brokerage

#### 4.7 **(b) Place**

We know that people's local area is important to them and that they want to be able to meet up to socialise, plan and undertake activities together and provide support to local people. We will retain our commitment to local community centres and community associations.

We will commission services from the VCF sector that:

- Provide community centres that offer a place where people can get involved, meet new people, learn new skills, get exercise, have fun and improve both the physical and mental health of individuals and groups and in doing so promote community cohesion
- Get volunteers working together to manage the local community centre and in doing so develop local ownership, capacity and citizenship
- Support community associations that provide ways of engaging people to become active in their communities, having a voice regarding local concerns and building partnerships with other groups and organisations to deliver services
- Enable young people to engage in positive activities, leading to reduced anti-social behaviour

#### 4.8 **(c) Prospects**

We are ambitious for Derby and for Derby people. We want a city that is prosperous and nurtures the talents of its citizens. We want to support its creativity, flair and cultural offer.

We will therefore commission services from the VCF that:

- Enable children and young people to be included in mainstream learning or activities and that reduce the number of young people not in education, employment or training, particularly teenage parents, young people with disabilities and young people who have been in the care system
- Offer a creative approach to providing arts activities that will inspire achievement and contribute to personal wellbeing and confidence within communities
- Support economic growth by developing a vibrant cultural environment that will attract and retain talent
- Develops Derby as a cultural destination with festivals playing a key role by increasing footfall in the city centre and attracting visitors

- 4.9 All grant aid programmes must deliver against the outcomes above. Derby is a diverse city and grant applications will be expected to set out how the services offered can meet the needs of all its citizens. There will be some commissioning intentions where services are sought to meet the needs of specific communities and/or communities of interest where there are particular issues of disadvantage to overcome. Value for money will also be an important criterion.

#### 4.10 **Process**

We intend to run an open grant aid round for 2011/12 based on the above outcomes with specific evaluation criteria. We will grant aid services from the VCF sector based on our commissioning intentions. As part of this process, all currently grant-aided groups will receive an “at risk” notice as we may seek to decommission some services.

The Council has signed a Compact with the voluntary sector which sets out a process for how we conduct business with each other. The process set out below ensures the Council is compliant with the terms of the Compact.

The timeline for this process is as follows:

<b>Process</b>	<b>Time</b>
Voluntary Sector Funding Strategy considered at Cabinet	14 December 2010
All grant aided groups are put on precautionary notice	15 December 2010
Consultation with the sector	15 December 2010 to March 2011
Voluntary Sector Funding Strategy ratified at Cabinet	12 April 2011
Commissioning intentions issued and grant applications sought	25 April 2011
Closing date for grant applications	22 May 2011
Recommendations on funding taken to Cabinet	26 July 2011
Formal 12 weeks notice of cessation of grant aid funding served on organisations whose services are decommissioned	27 <sup>th</sup> July 2011

#### **OTHER OPTIONS CONSIDERED**

- 5.1 It was considered whether to leave the voluntary sector grant aid programmes as they are but this would mean that they might not offer the best strategic fit with the new city plan. It is important that the Council achieves the best possible outcomes for Derby people by the appropriate strategic use of all its resources, including grant aid.

- 5.2 It was considered whether all grant aid should be cut in order to offer greater protection to statutory services. This was rejected because it is recognised that the Council needs to continue to invest in the preventative and direct services that the voluntary sector provides.
- 5.2 It was considered whether grant aid should be protected and not have any reduction. This was rejected as it would mean essential statutory services would have had to be reduced even more severely.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Stuart Leslie Julian Kearsley  Perveez Sadiq Jo Davidson; Paul Robinson;
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Name Cath Roff 01332 255533 e-mail <a href="mailto:cath.roff@derby.gov.uk">cath.roff@derby.gov.uk</a> None Appendix 1 – Implications

<b>IMPLICATIONS</b>
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**Financial**

- 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 The total grant aid in 2010/11 is £2.816m. It is proposed to reduce this to £1.971m in line with national funding changes.
- 1.3 The government has announced a £100m transitions fund to support charities and voluntary sector organisations affected by public sector spending changes. The fund will be administered by the “Big Fund” arm of the Big Lottery Fund.

**Legal**

- 2.1 The Council has signed a Compact with the voluntary sector. This prescribes its relationship with the sector and how we should conduct business with each other. Section 3.7 of the Compact obliges the Council to consult with the sector if it intends to make significant policy and strategy changes. It states this should normally be at least 12 weeks but it may be a shorter period but reasons would have to be provided.

Section 13.3 of the Compact requires the Council to give 12 weeks notice of termination of grant aid.

**Personnel**

- 3.1 If the Council decommissions an organisation, the organisation will need to follow appropriate processes with it's staff to comply with employment law.

**Equalities Impact**

- 4.1 When regarding the implications of this report Cabinet needs to give due regard to s.49A of the Disability Discrimination Act 1995 which states that:

Every public authority shall in carrying out its function have due regard to:

- (a) the need to eliminate discrimination that is unlawful under this Act;
- (b) the need to eliminate harassment of disabled persons that is related to their disabilities;
- (c) the need to promote equality of opportunity between disabled persons and other persons;
- (d) the need to take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than others;
- (e) the need to promote positive attitudes towards disabled persons; and
- (f) the need to encourage participation by disabled persons in public life.”

Members need to consider the implications of the proposed Voluntary Sector Grant Aid strategy while proposals are still in their formative stage and to consider the responses to consultation in its final decision making.

## **Health and Safety**

5.1 None specific

## **Carbon commitment**

6.1 None specific

## **Value for money**

7.1 Value for money will be a criterion when evaluating voluntary sector grant applications.

## **Corporate objectives and priorities for change**

8.1 This report contributes to:

CYP1: To ensure all parents who need support know where to turn to and benefit from a range of appropriate support services.

HC1: To increase choice and control to support independence.

HC3: To improve well being, and tackle health inequalities through development of services which promote active recreation.

CC1: To improve the range and quality of Derby's cultural and leisure opportunities and facilities.

COD2: To deliver value for money across all services.