

ITEM 6

Community Grants Budget Review - Consultation

Overview

In January 2007 Council Cabinet approved a recommendation to review the Community Grants Budget (CGB), to ensure that application and appraisal processes are efficient, effective and transparent. The Council has a number of other grant funding programmes, which are managed by different departments, to meet a wide range of priorities. However, the scope of this review only includes the Community Grants Budget, which is the Council's main corporate grant funding programme.

The aims of this review have been:

- To balance the need to support the sustainability of the Voluntary and Community Sector with the need to meet the Council's strategic priorities, within available resources;
- To ensure that processes for applications, for the appraisal of new proposals and for monitoring and reviewing currently funded organisations are efficient, effective, robust, clear, transparent and proportionate;
- To ensure that CGB funding is evaluated within a clear strategic framework, which ensures value for money;
- Despite budgetary limitations, to ensure that there is scope for new applications to be considered, to enable voluntary and community organisations to put forward proposals, to encourage innovation and to assist the council in identifying emerging needs and gaps in service provision.

We are not at present proposing any changes to the main aims of the CGB funding programme. These aims are:

- To support voluntary and community sector infrastructure. This means organisations that provide development support to the voluntary and community sector
- To strengthen communities by:
 - supporting activities designed to develop socially excluded communities or access to services for those communities, **or**
 - providing information, advice, or advocacy, **or**
 - supporting new and emerging communities, **or**
 - supporting organisations that have a specific role in taking forward neighbourhood development.

This consultation will run for 12 weeks, from 18 May 2007 to 9 August 2007. We are keen to listen to everyone's views, not only the views of currently funded voluntary and community organisations, but also the views of groups which are not in receipt of Council funding, volunteers and Derby residents.

Consultation questions

Please note: all of the information that you provide will be treated in confidence.

1. The Compact Funding Code of Practice includes a commitment to multi-year funding agreements to improve the sustainability of the voluntary and community sector and support longer term planning. The adoption of 3 year funding agreements is also supported by national best practice guidance.

The provision of 3 year funding agreements has increased over recent years. However, most Community Grants Budget (CGB) funded organisations are still required to reapply for renewed grant funding each year. This has been accompanied by a resource intensive appraisal process, which has ultimately resulted in almost all of the same organisations receiving the same level of funding for the following financial year. This is an inefficient use of voluntary sector organisations' and Council officers' time and has tended to discredit the CGB process.

Proposal 1: to issue 3 year funding agreements as standard for all CGB funded organisations, the only exceptions being for very small revenue grants of under £1,000 and for one-off, capital grants. Please tell us what you think of this proposal.

2. In previous years, existing grant funded organisations have been required to reapply for grant funding, in the same way as new applicants. However, in practice, this has not created a level playing field with new applicants, or achieved a more strategic use of grant funding.

An alternative process would be a more in-depth review during the final year of 3 year funding agreements, which would be seen as part of the ongoing management of grant funding. If appropriate, this would have input from officers with commissioning responsibility for the relevant service area, to ensure that grant funding is more closely aligned with the Council's strategic objectives. The results of these final year reviews would form the basis for subsequent recommendations to continue or change existing grant funding arrangements. In some cases, where it is evident that grant funding is no longer achieving value for money or meeting priorities, there may be a recommendation to stop providing funding, in order that new priorities can be met.

Proposal 2: To replace the need to reapply for renewed grant funding with more in-depth reviews, to take place during the final year of 3 year funding agreements. Please tell us your views on this proposal.

3. At present, most CGB grants require 6 monthly monitoring returns. However, the former Social Services grants, which transferred to CGB, are still subject to quarterly monitoring. To comply with the Compact principle of proportionality, it is proposed that 6 monthly monitoring returns are adopted as standard, except where external monitoring requirements, or joint funding arrangements, require quarterly returns (for example, where grant funding supports Local Area Agreement targets, or where there is a joint funding agreement with the Primary Care Trust).

The current timing of monitoring returns and payment schedules for CGB has meant that organisations only have around 10 days in which to return monitoring forms for the relevant period before payments become due. By changing the dates when monitoring becomes due, voluntary sector organisations would have more time to produce good quality monitoring information. This would also give officers more time to analyse monitoring returns, and evaluate the impact which services are having.

It is therefore proposed that the timing of monitoring returns is realigned, as follows:

Monitoring period	Date monitoring due	Payment due
July - Dec '07	Mid-Feb '08	1 April '08
Jan - June '08	Mid Aug '08	1 Oct '08

This would also mean that, subject to monitoring information being provided, payments could be made a full 6 months in advance.

Proposal 3 Do you support this idea to realign monitoring returns and payments to allow voluntary organisations more time to produce monitoring information and to ensure that payments can be made a full 6 months in advance?

4. New draft paperwork has been developed to support more efficient review processes and a clearer and more robust monitoring framework. See Appendices 1-4, for draft forms for: Preliminary Checks, 6 Month Reviews, Annual Reviews and Final Year Reviews. The corporate grant application forms are also being updated for 2007/8. Accompanying guidance for applicants is being produced, to explain clearly how the application forms should be completed.

Proposal 4: To adopt the new draft paperwork at Appendices 1-4 to support the efficient and consistent monitoring of grant funding. Do you have any comments on the draft paperwork at Appendices 1-4?

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5. The Council's grant budgets are under a great deal of pressure and it is therefore difficult to identify resources to create new grant funding opportunities and support innovation. However, there is a commitment to develop a more strategic approach to grant funding in the Compact Funding Code of Practice. Council Cabinet has also approved a recommendation to move towards a more strategic approach to grant funding. Therefore, to support this policy objective, it is proposed to identify one or two strategic priorities for new grant funding each year and to seek a decision in principle from Council Cabinet to fund at least one new organisation for each identified strategic priority.

Proposal 5: To publicise one or two specific grant funding priorities each year, to meet strategic priorities, fill existing gaps in provision and meet emerging needs. Please tell us your views on this proposal.

6. Appraisal Panels for CGB grant applications have been made up of Council officers with responsibility for the relevant service areas, an officer with an equalities remit and an officer with financial expertise. The Appraisal Panels have made recommendations, but the final decisions are taken by Council Cabinet. Under the Council's constitution, decisions on grant funding of over £25,000 have to be taken by Council Cabinet. Decisions on grant funding of under £25,000 do not have to go to Cabinet, but must be taken in consultation with the relevant Cabinet member.

Proposal 6: To reconsider the make-up of Appraisal Panels, taking into consideration feedback from this consultation. Please tell us your views, bearing in mind the need for appropriate skills and knowledge, efficiency transparency and accountability in the decision-making process.

7. There is a future financial risk to the CGB programme arising from the loss of £80,000 Neighbourhood Renewal Fund (NRF) monies. There may be no replacement found for this loss of NRF monies after 2007/08. With this in mind, we need to plan on the basis that £80,000 of cost savings may need to be identified for 2008/09.

The reliance of CGB on NRF funding arises from the transfer of only 50% of the costs of former Social Services grant funding, mostly for luncheon clubs and similar provision. The Council may therefore be unable to continue its current level of support for luncheon clubs and similar services. However, the Council remains committed to providing financial support to reduce social isolation, within available resources. One option for achieving some cost savings is that the Council no longer meets the cost of food and refreshments, which would need to be met from service user contributions, or other fundraising activity. However, the Council would continue to meet the costs of necessary overheads to enable socially isolated individuals and communities to meet, such as rent, utilities and volunteer expenses.

Proposal 7: To review luncheon club provision with a view to achieving necessary cost savings arising from the loss of NRF funding. Do you have any alternative thoughts or ideas to those set out above on how the

potential loss of £80,000 within the CGB programme should be managed for 2008/09?

Please return your completed questionnaire by 9 August 2007 to:

Katy Wing
Voluntary and Community Partnerships Manager
Derby City Council
Room 183 Council House
Corporation Street
Derby DE1 2FS
Email: katy.wing@derby.gov.uk

We want to make sure that we hear everyone's views. So please answer the next few questions about you.

Are you a... (please ✓ all that apply)

representative of a CGB funded voluntary sector organisation?	<input type="checkbox"/>
representative of a voluntary sector organisation which does not receive CGB funding?	<input type="checkbox"/>
Derby resident?	<input type="checkbox"/>
representative of a public sector organisation?	<input type="checkbox"/>
representative of a business based in Derby?	<input type="checkbox"/>
other?	<input type="checkbox"/> Please say

If you are filling in this questionnaire as a representative of a voluntary, community or public sector organisation, please tell us the name of the organisation.

What is your role within the organisation?

Please either:

- complete on screen, save onto your computer and send as an email attachment, *or*
- print off and return by post

Thank you for taking the time to fill in this questionnaire. The results of this consultation will be published on Your City, Your Say, at <http://www.derby.gov.uk/yourcityyoursay>



All information provided will be treated in accordance with the Data Protection Act 1998. We will only use this information to inform the final decisions regarding the management and administration of the Community Grants Budget.



DERBY CITY COUNCIL

Preliminary Check

(April-June in the 1st year then annually if needed)

1. Organisation:		
2. Ref:		
3. Voluntary Sector Co-ordinator:		
4. Funding Agreement issued from _____ to _____		
5. Contact Organisation representative(s):		
6. Date of check:		
7. Insurance certificates:		
Employers Liability	<input type="checkbox"/>	expiry date:
Public Liability	<input type="checkbox"/>	expiry date:
Contents	<input type="checkbox"/>	expiry date:
Professional indemnity	<input type="checkbox"/>	expiry date:
Vehicle & Drivers	<input type="checkbox"/>	expiry date:
Other	<input type="checkbox"/>	expiry date:
8. Health and Safety at Work information displayed:		Yes/No
9. Health and Safety Policies :		Yes/No
10. Foundation Certificate in Food Hygiene:		Yes/No/na
11. Electrical goods - PAT testing		
Next tests due:		
12. Fire safety check, smoke alarms and equipment tested		
Date last carried out:		

13. Management Committee:	
list of members and associated members	<input type="checkbox"/>
14. Complaints procedures for Service Users: <input type="checkbox"/>	
15. Personnel policies and procedures (recruitment, induction, supervision, appraisal, grievance, disciplinary, whistle blowing if appropriate: Yes/No	
16. Police Checks:	
Relevant employees and volunteers checked for appropriate level of disclosure through the Criminal Records Bureau?	
Employees	<input type="checkbox"/>
Volunteers	<input type="checkbox"/>
Comments / process:	
17. Payroll run by:	
18. What systems are being put into place to report on agreed outputs and outcomes, as set out in the Funding Agreement:	
19. When did the last AGM take place (are minutes available):	
20. Is financial information produced regularly for the Management Committee:	

Officer's Recommendations for Action

Date..... Signed.....(Derby City Council Officer)

Date..... Signed.....(Organisation – state role)



6 Month Monitoring and Review

(3rd quarter of 1st year and annually if
needed)

1. Organisation:	2. Ref:									
3. Officer(s) carrying out review:										
4. Organisation representative(s):										
5. Date of review:										
6. Outstanding issues from preliminary check meeting										
7. Have any changes taken place in the following since the original application? <table> <tr> <td>a. Management Structure</td> <td>Yes <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> </tr> <tr> <td>b. Financial Procedures</td> <td>Yes <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> </tr> <tr> <td>c. Staffing</td> <td>Yes <input type="checkbox"/></td> <td>No <input type="checkbox"/></td> </tr> </table>		a. Management Structure	Yes <input type="checkbox"/>	No <input type="checkbox"/>	b. Financial Procedures	Yes <input type="checkbox"/>	No <input type="checkbox"/>	c. Staffing	Yes <input type="checkbox"/>	No <input type="checkbox"/>
a. Management Structure	Yes <input type="checkbox"/>	No <input type="checkbox"/>								
b. Financial Procedures	Yes <input type="checkbox"/>	No <input type="checkbox"/>								
c. Staffing	Yes <input type="checkbox"/>	No <input type="checkbox"/>								
If 'yes', please summarise:										

8. Has the organisation's activities changed since the approval of Council funding? Yes ☐ No ☐

If 'yes', please state how the service / activities have changed

9. Are the output measures in the funding agreement still appropriate? Yes ☐ No ☐

If 'no', please give reasons

10. Are all the methods established to record the outputs? Yes ☐ No ☐

If 'no', please give reasons

11. Are the outcome measures in the funding agreement still appropriate? Yes ☐ No ☐

If 'no', please give reasons

12. Are all the methods established to record the outcomes? Yes ☐ No ☐

If 'no', please give reasons

13. Has the organisation complied with the terms and conditions of the funding agreement?

Yes ☐ No ☐

If 'no', please give details:

Officer(s) recommendation for action:

General comments:

Date..... Signed.....(Derby City Council Officer)

Date..... Signed.....(Organisation – state role)

3 Year Funded Organisations

Annual Review

(1ST quarter of 2nd year)

1. Organisation:	2. Ref:	3. Review Period: From To
4. Officer(s) carrying out review:		
5. Organisation representative(s):		
6. Date of review:		

7.1 Are there any issues or problems in terms of management and governance of the organisation (management committee/governing body, financial, staffing):

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7.2 Have aims and objectives of the organisation changed from those set out in the original grant application?

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7.3 Have independently examined annual accounts been provided for the past year. Who are the auditors?
7.4 How does the organisation ensure that it's services are meeting identified needs?

8. Funding Agreement	
8.1 From the most recent monitoring information, to what extent are the intended outcomes being achieved?	
8.2 From the most recent monitoring information, have the intended outputs been achieved?	Yes/No
If No, please detail why	
8.3 Do any changes need to be made to monitoring systems for the year ahead (if so complete Funding Agreement Proforma)	Yes/No

9. Quality of Service and meeting Service Users needs
9.1 Are the systems used to obtain feedback from service users effective? (how does the service user feedback inform service development)
9.2 Are the Complaints Procedures working effectively?
9.3 What quality assurance standards are being met? (for example CLS Quality Mark, PCASSO, Investors in People, Investors in Volunteers or umbrella organisations own quality standards)

10. Equality in Service
10.1 What conclusions can be drawn from the monitoring information on equalities?
10.2 What plans are in place to improve equality in access and in service delivery?

11. Other Sources of Funding or Income

11.1 What other sources of funding have been secured for the coming financial year?

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11.2 What other income is forecast to be generated in the forthcoming year? (outline any risk to the service or organisation)

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12. Information Exchange/Operational Issues and developments in Statutory Services

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13. Plans for Future Development

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14. Voluntary Sector Co-ordinators Recommendations for Action and General Comments

Date..... Signed.....(Derby City Council Officer)

Date..... Signed.....(Organisation – state role)



DERBY CITY COUNCIL

Final Year Review

(1ST quarter of 3rd year of Funding Agreement)

1. Organisation:	2. Ref:	3. Review Period: From To
4. Officer(s) carrying out review:		
5. Organisation representative(s):		
6. Date of review:		

7. Governance and Management of the Organisation
7.1 Are there any issues or problems in terms of management and governance of the organisation (management committee/governing body, financial, staffing):
7.2 Are any changes planned to the Constitution or the management of the organisation?
7.3 Have aims and objectives of the organisation changed?

7.4 Have independently examined annual accounts been provided for the past year. Who are the auditors?

7.5 Are any issues or problems evident in relation to the financial management of the organisation?

7.6 How does the organisation ensure that its services are meeting identified needs?

8. Funding Agreement

8.1 Has the service been provided as set out in the Service Specification of the funding agreement? Please describe any problems, difficulties or other issues

8.2 Have all the other terms and conditions with the funding agreement been met? If not, please explain why

8.3 From the most recent monitoring information, to what extent are the intended outcomes being achieved?	
8.4 From the most recent monitoring information, have the intended outputs been achieved?	Yes/No
If No, please detail why	

9. Quality of Service and meeting Service Users needs
9.1 Are the systems used to obtain feedback from service users and other stakeholders effective? (how does the service user feedback inform service development)
9.2 What are the results of service user feedback?
9.3 Are the Complaints Procedures working effectively?

9.4 How many complaints were received in the past year and how were these resolved?

9.5 What quality assurance standards are being met? (for example CLS Quality Mark, PCASSO, Investors in People, Investors in Volunteers or umbrella organisations own quality standards)

10. Equality in Service

10.1 What conclusions can be drawn from the monitoring information on equalities?

10.2 What plans are in place to improve equality in access and in service delivery?

11. Planning for Future Services

11.1 What conclusions can be drawn from monitoring service user feedback about the impact of services and emerging patterns of need?

11.2 Which strategic planning or partnership groups is the organisation involved with and how does this inform business planning?

12. Conclusions & Recommendations

12.1 Summary of any problem areas identified and how they are to be dealt with

12.2 Is the service is still regarded as a priority in the context of changing needs? What would be the impact of Council grant funding coming to an end

12.3 Reviewing officer's recommendations

Should the agreement be extended without variation? **Yes / No**

Should the service be decommissioned at the end of the term? **Yes / No**

Should any variation to the agreement be sought? **Yes / No**

If yes, please state in detail the variations to be agreed:

12.3 Any additional comments by the Voluntary Sector organisation's representative(s)

Date..... Signed.....(Derby City Council Officer)

Date..... Signed.....(Organisation – state role)