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**REPORT TO THE MEETING OF THE EXECUTIVE 19 SEPTEMBER 2012**

**PORTFOLIO: FINANCE AND RESOURCES**

**REPORT FROM CHIEF EXECUTIVE**

**SUBJECT: VOLUNTARY SECTOR GRANTS 2013-14**

**1 DECISION BEING RECOMMENDED**

- 1.1 To put in place a procedure for allocating the Voluntary Sector Grants fund for the financial year 2013-14 that is fair, transparent and compliant with the Best Value Statutory Guidance published in 2011.
- 1.2 To open applications to all voluntary groups operating in the District except for the Citizens Advice Bureau (CAB) and the Rayleigh, Rochford and District Association for Voluntary Service (RRAVS) who will receive top sliced funding from the same pot based on the previous year's performance in relation to their Service Level Agreement.
- 1.3 To follow a specified timeline that is in line with Best Value Guidance as outlined in the report.

**2 REASONS FOR RECOMMENDATION**

- 2.1 Providing financial assistance to local voluntary and community organisations helps to generate a stronger Third Sector in the District.
- 2.2 The new Best Value Guidance published by the DCLG sets out some reasonable expectations of the way authorities should work with voluntary and community groups and small businesses when facing difficult funding decisions. (Further details are provided in section 3.3 and 3.4.)
- 2.3 A timely and transparent process is required. Applications would be open to all voluntary sector groups that meet with established criteria. Both revenue and capital funding will be available with a maximum of £1500 that any one group can apply for. After the closing date and once the overall budget allocation has been agreed, a Member Advisory Group assembled by the Finance and Resources Portfolio Holder would meet (comprising the Leader, the Portfolio Holder, the Leader of the main opposition party and two additional Members) to take decisions on allocating funding, using an agreed scoring system, for groups that submitted applications. Funding to the CAB and RRAVS would also be determined by the Advisory Group.
- 2.4 The CAB and RRAVS funding allocations, due to the nature of their work, will not be assessed in the same way as smaller more locally focused voluntary groups. The Council is the major funder for these two organisations which is not the case for other voluntary groups. Assessing the grant allocation for the

CAB and RRAVS separately, against additional criteria and performance data, will enable a more informed decision to be made. A Service Level Agreement will be set up for both organisations.

### 3 SALIENT INFORMATION

#### 3.1 The suggested timeline would be:

Activity	Deadline
Procedure for 2012/13 put forward by PH holder. Decision by Executive	19 September
Open applications – notify affected groups of top slicing arrangements	w/c 1 October
Close application process	23 November
Amount allocated to voluntary grants pot determined at Full Council in advance of overall Budgetary Agreement	11 December
Member Advisory Group to meet to determine grant allocations from applications / top slicing	12 December with 13 December in reserve
Local groups notified of decisions of Member Advisory Group following formal sign off by the Portfolio Holder for Finance and Resources	end of December 2012

#### 3.2 The exact amount to be allocated to the voluntary organisations grant pot will be decided by Council on 11 December 2012.

#### 3.3 The Best Value statutory guidance published by the DCLG, introduced in September 2011, provides an expectation for voluntary and community organisations in their relationships with authorities. It aims to be explicit about the scope for authorities to consider social value in their functions and allow them appropriate discretion in considering the circumstances of individual cases. The statutory guidance requires authorities to consult a wide range of local persons, including local voluntary and community organisations and businesses, before deciding how to fulfill our Best Value duty. This requirement applies at all stages of the commissioning cycle, including when considering decommissioning services.

#### 3.4 The guidance requires authorities to be sensitive to the benefits and needs of voluntary and community sector organisations and small businesses. Authorities should seek to avoid passing on disproportionate cuts (i.e. no greater than they take on themselves) and, in particular, an authority intending to reduce or end funding or other support that will materially threaten the

viability of the organisation or the service it provides should give at least three months notice to both the organisation involved and the public/service user.

- 3.5 A scoring system for assessing applications will be set up to ensure the process is consistent, open and transparent. This is particularly important if any decisions are challenged. This will follow the same procedure that was used in 2011-12. The Advisory Group will also receive details of applicants that are currently receiving rental subsidy or non-domestic rate relief.
- 3.6 In line with guidance to involve local voluntary groups in the process before a decision is made, previous recipients of grants have been contacted with details of these provisional arrangements to allow any issues to be raised. The arrangements have also been raised at the Community Development Partnership of the LSP.
- 3.7 In 2011-12, the same application process was followed. After the closing date, a Member Advisory Group met to make decisions on the grant allocations. £90,000 was made available for revenue grants and £15,000 for capital grant allocations. The Portfolio Holder for Finance and Resources had the final sign off. Service Level Agreements were set up for organisations that received £2,000 or more in grant funding.
- 3.8 The Council provides additional assistance to the voluntary sector through the Staff Volunteering Scheme and the GRANTnet service.
- 3.9 The Council is a signatory to the Castle Point and Rochford Voluntary Sector Compact, this document was refreshed in February 2012. This agreement is between the voluntary and community sector and statutory organisations to improve their relationship for mutual advantage. The Compact is not a legally binding document but includes a series of guiding principles. The funding section refers to statutory organisations ensuring open, transparent and timely funding processes are in place.

#### **4 RISK IMPLICATIONS**

- 4.1 Any delay in making a decision would inhibit local voluntary groups finalising their budget plans. The Council's reputation could also possibly be tarnished and the goodwill generated with local groups harmed.
- 4.2 The Council could also be open to challenge for not adhering to the Best Value Guidance and the local Compact Agreement.

#### **5 RESOURCE IMPLICATIONS**

- 5.1 A decision on the amount of funding to be allocated to the voluntary grants pot will be made by Council on 11 December 2012. £3,500 remained unallocated from the capital funding pot in 2012/13. This will be carried forward to supplement the allocated pot in 2013/14.

**6 EQUALITY AND DIVERSITY IMPLICATIONS**

- 6.1 Regard should to be made to the Equality Impact Assessment process as part of the overall budget allocation.
- 6.2 An Equalities Monitoring Form will be included with application packs for each group to complete in order to develop a profile of the organisations which apply for grant funding. Completion of this form will be optional.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

SMT Lead Officer Signature: \_\_\_\_\_

**Chief Executive**

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**Background Papers:**

None.

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If you would like this report in large print, Braille or another language please contact 01702 318111.