
Report to Resources and Audit Committee

Date of Meeting: 30 April 2015

Subject: Annual Report 2014/15: Funding to Voluntary Organisations

Report by: Acting Strategy and Performance Manager

1.0 Purpose

- 1.1. The purpose of this report is to provide committee with an overview of funding disbursed to voluntary organisations of approximately £1.5M during 2014/15.

2.0 Recommendations

- 2.1. It is recommended that committee note, challenge and comment on the report.

3.0 Considerations

- 3.1. The Council is required to demonstrate best value and comply with procurement legislation when employing third parties to supply the Council with goods and services. The Accounts Commission publication, *ALEOS: are you getting it right?* Sets out good practice arrangements and expectations with regard to the management and monitoring of funding to voluntary organisations. Whilst Clackmannanshire Council do not operate any ALEO's as such, there is an clear expectation that the same good practice principles set out in the guidance apply to any third party the Council funds, including voluntary organisations.
- 3.2. Following an internal audit report in August 2012, a number of recommendations were made to ensure sound management of voluntary organisations supplying the Council with goods and services.
- 3.3. A number of improvements have been made in the way that the Council manages funding to voluntary organisations over the past few years. Among these have been a revision of the Code of Practice for Funding External Bodies and Following the Public Pound, introducing a common Service Level Agreement template to be used across the Council; developing a central register of all voluntary organisations funded by the Council and providing mandatory training for all monitoring officers.

- 3.4. Following a comprehensive review of funding to a wide range of 3rd Sector organisations, the Council, in February 2014, agreed to cease funding to a number of organisations on 30 September 2014. This work was completed on schedule following a transitional period during which time dialogue, and where appropriate, support was maintained with these organisations.
- 3.5. Mandatory training for all monitoring officers was delivered in January 2015 and covered developing and agreeing service level agreements, Following the Public Pound, and the role of the monitoring officer, including discussion on the balance to be struck in the context of support versus challenge.
- 3.6. A targeted follow up review on external funding arrangements has recently been completed by Internal Audit in March 2015. The report provides significant assurance that corporate arrangements are now being applied consistently and this has strengthened the overall control environment in relation to external funding.
- 3.7. While there have been improvements in scrutiny and monitoring of Service Level Agreements, a key area for improvement remains within the context of commissioning. In its report, *ALEOs: are you getting it right?* the Accounts Commission say: "*Councils must have clear reasons for using ALEOs. They must understand the impact on people who use services. Clear roles and responsibilities and effective monitoring are essential*". Many of our funding arrangements are long-standing. As a result, not all fully comply with procurement requirements. There is a clear need to take a critical look at Third Sector funding and commissioning in order to be satisfied that service designs can best deliver best value and required outcomes within a context of integrated service provision and joint resourcing.
- 3.8. This is a priority for improvement over the next two years. As part of the project agreed by Council at the Special Council meeting held in February 2015, the Council will work closely with the Clackmannanshire Third Sector, through CTSL, and other community planning partners to review and redesign the commissioning local services to communities. Consideration will be given to greater use of models, for example, such as Public Social Partnerships to realise better integrated and more effective jointly resourced services.
- 3.9. It is worth highlighting that this work is already underway in some areas, particularly in Social Services, where commissioning arrangements for a number of SLAs have been subject to an in depth review this year. As a result, a number are now regarded as significant contracts with the Third Sector rather than Service Level Agreements. In time, this process may see more funding arrangements migrate to the Council's register of contracts, as they become subject to formal tendering exercises.
- 3.10. The table below summarises funding disbursed in 2014/15. In two areas only the funding approved by Council was not fully disbursed. These were £6,000 allocated to the Drop-in Foodbank and £75,000 for Ochil Leisure Enterprises (OLE).
- 3.11. OLE informed the Council in September 2014 that the facility had closed indefinitely. There has since been agreement to return the facility to the Council, with the SLA and associated funding terminated part year. As a result, a final sum of £31,200 was disbursed to OLE during 2014/15.

- 3.12. The Council approved funding of £10,000 for foodbanks in 2014/15. £4,000 was disbursed to The Gate Foodbank, however, £6,000 allocated to the Drop-in Foodbank was not utilised. The organisation did not provide the monitoring officer with agreed and required monitoring information for 2013/14, therefore, no SLA was signed for 2014/15, accordingly no funds were disbursed. At the Special Council meeting in February 2015, it was agreed to increase the funding provided to The Gate Foodbank for 2015/16.
- 3.13. In line with a recommendation from the External Auditor, the Council disclosed funding agreements with external organisation for the coming year as part of the 2015/16 budget approved at the Special Council Meeting in February 2015. Services are required to provide updates to their service committees on funding arrangements specific to their functions. An overview, similar to this report, will be provided to Resources and Audit Committee at this time next year.

Conclusion

- 3.14. Progress continues to be made in regard of the management of funding to voluntary organisations in Clackmannanshire. Going forward, the main area for improvement now relates to the commissioning of services and ensuring alignment with current funding priorities. This will be a key element of the Review of Funding to Voluntary Organisations project agreed in principle at the Special Council meeting in February 2015.

Project Name * indicates part year funding to 30/09/14	Service	Funding Disbursed 2014/15
Play Alloa	Education	£18,018
Clackmannanshire Sports Council	Education	£7,013
Total Education		£25,031
Clackmannanshire Citizens Advice Bureau	Housing	£128,700
Open Secret*	Housing	£8,216
Soup Pot	Housing	£2,925
WISH (Women in Sport and Health)*	Housing	£9,750
Clackmannanshire Women's Aid	Housing	£179,156
Total Housing and Revenues		£328,747
Central Carers Association	Social Services	£58,188
People First (Clackmannanshire)	Social Services	£22,172
Addictions Support and Counselling	Social Services	£8,640
Community House	Social Services	£38,180
Candies Cuisine*	Social Services	£14,664
Barnardo's (Freagarrach)	Social Services	£45,000
Homestart	Social Services	£76,889
Action for Children (Tayvalla)	Social Services	£93,410
Action for Children (Tullibody Families)	Social Services	£160,875

Project Name * indicates part year funding to 30/09/14	Service	Funding Disbursed 2014/15
Who Cares?	Social Services	£7,630
Total Social Services		£525,648
SAMH	Partnership – Integrated Mental Health Service	£159,800
Reachout with Arts in Mind	Partnership – Integrated Mental Health Service	£47,200
Clackmannanshire Healthier Lives	Partnership – Integrated Mental Health Service	£191,770
Total Integrated Mental Health Service		£398,770
Central Scotland Rape Crisis and Sexual Abuse Centre - Youth Project*	S&CS	£4,633
Central Scotland Rape Crisis and Sexual Abuse Centre	S&CS	£14,320
Central Scotland Regional Equality Council*	S&CS	£3,629
Hawkhill Community Association*	S&CS	£18,006
Cafe Society	S&CS	£21,996
Sauchie Active 8	S&CS	£34,827
Artist in Residence Project	S&CS	£4,037
Arts Forum*	S&CS	£1,980
AAFC - Youth Football	S&CS	£5,000
The Gate Foodbank	S&CS	£4,000
Ochil Leisure Enterprises	S&CS	£31,200
Drop-in Foodbank	S&CS	£0
Total Strategy and Customer Services		£143,628
CMEE (Community Maintenance and Environmental Enterprise)	Community Regeneration	£39,584
Funded Halls and Trusts	Community Regeneration	£14,625
Total Community Regeneration		£54,209
Grand Total		£1,476,033

4.0 Sustainability Implications

4.1. There are no direct sustainability implications arising from this report.

5.0 Resource Implications

5.1. Financial Details

5.2. There are no financial implications arising from this report.

5.3. Staffing

5.4. There are no staffing implications arising from this report.

6.0 Exempt Reports

6.1. Is this report exempt? Yes ☐ (please detail the reasons for exemption below) No ☒

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box ☒)

The area has a positive image and attracts people and businesses	<input type="checkbox"/>
Our communities are more cohesive and inclusive	<input type="checkbox"/>
People are better skilled, trained and ready for learning and employment	<input type="checkbox"/>
Our communities are safer	<input type="checkbox"/>
Vulnerable people and families are supported	<input type="checkbox"/>
Substance misuse and its effects are reduced	<input type="checkbox"/>
Health is improving and health inequalities are reducing	<input type="checkbox"/>
The environment is protected and enhanced for all	<input type="checkbox"/>
The Council is effective, efficient and recognised for excellence	<input checked="" type="checkbox"/>

(2) **Council Policies** (Please detail)

Contract Standing Orders

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes ☐ No ☒ N/A

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ☒

10.0 Appendices

10.1 None

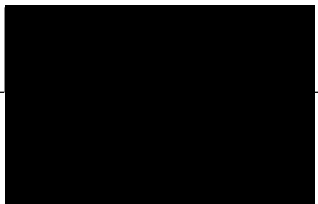
11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
Yes ☐ (please list the documents below) No ☒

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Approved by

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