

Realignment of Funding to Voluntary Organisations

Desired Outcomes of this Work

The desired outcome of the ongoing review of funding to voluntary organisations in Clackmannanshire is to ensure that:

- the Council can demonstrate Best Value and that it is effectively following the public pound - ultimately this will mean that there will be fewer but no B or C-rated organisations, all funded organisations can be categorised as A-rated;
- that funding to voluntary organisations is sustainable, based on shared outcomes, and a planned, but flexible and evolving long-term relationship, thereby providing greater certainty, sustainability and stability for all stakeholders, including the Third Sector;
- that all funded organisations are making a demonstrable and effective contribution to the Council's and Clackmannanshire's stated priorities.

Background

In 2013, the Council commissioned an independent review of voluntary organisations it funds in Clackmannanshire. The output of this work was subsequently assessed and validated by officers based on the information available to them and categorised as follows:

- A-rated: fitting strongly with Council priorities and outcomes, and demonstrates how their activity impacts on these. In the case of A-rated organisations, it is proposed moving to a 3 year funding arrangement with no funding reduction from the 2013/14 position, subject to procurement requirements and discussions on potential service redesign;
- B-rated: either fitting strongly with Council priorities and outcomes, or demonstrates how activity does or could impact on these. In the case of B-rated organisations, it is proposed offering a 1 year funding arrangement with no funding reduction from the 2013/14 position. However, officers would look to engage with the provider over that period, which could include substantially redesigning service provision, or, if appropriate, ceasing provision. Where mutually acceptable arrangements can be accommodated, thereafter, subject to procurement requirements, the Council would look to move to a 3 year funding arrangement to better align with stated outcomes;
- C-rated: either poor alignment with Council priorities and outcomes and/or insufficient demonstrable impact of how activity does or could impact on outcomes and/or concerns about sustainability prospects. In such cases, we propose funding continues from 1 April until 30

September 2014, after which our funding relationship would cease completely in that particular context. In such circumstances we would propose providing practical assistance to find alternative sources of funding during the transitional period.

This approach and supporting information was made publically available in December 2013, and was subject to a public consultation, which closed on 22 January 2014. The Third Sector Forum and a number of voluntary organisations concerned made representations through the consultation. These have been made available to elected members for inspection.

Consultation

The public consultation indicates that, whilst there are some concerns, a majority of those who participated support stopping funding to voluntary organisations assessed as outlined above in the C-rated description. The Third Sector Forum undertook an extensive consultation with its members to provide us with feedback on the impact of officer proposals. A summary of key points include:

- the Third Sector Forum expressed an opinion that using a consultant was a waste of time and money, and raised concerns about process used by the consultants, including that the Third Sector had not been informed of the importance of participating in the consultation process -
 - whilst acknowledging that there are always pro and cons to using consultants, the key advantage in this particular context is the element of objectivity and independent expertise. In many cases, more than one attempt was made to engage with organisations. Notwithstanding, other sources of information were used by the consultant to arrive at an assessment, which was subsequently reviewed by services;
- concerns raised about lack of appeals process and the letter used to inform organisations of officer proposals -
 - the principle of the approach, and subsequently detailed proposals, were subject to consultation. An additional communication was sent to affected organisations using the contact information we hold on record for them;
- some of those affected by the “B” and “C” categorisation also indicated that they would like to know what support would be given to help them align with the Single Outcome Agreement (SOA);
- feedback that the Council were being rather short sighted, as the proposed cuts will also have an impact on Council costs as it would have to provide a sustainable service to the community if certain Third Sector organisation are no longer funded;

- the Third Sector Forum has been provided with detailed face to face briefings on the Challenges and Choices facing the Council. Other information, including the Budget Booklet, was made available throughout the consultation period. The status quo is not a sustainable position. Though any funding reduction is regrettable, for the Council and its partners to deliver on agreed outcomes for communities, there needs to be a clear focus on priorities and effective utilisation of funds.
- feedback that added value provided through projects that are not directly funded by the Council will disappear if the cuts go ahead.

A number of organisations forwarded further information or appeals for officers to consider. In summary, most of these challenged their B or C rating, with varying degrees of additional information to support requests to be re-designated as an A-rating. These are available for inspection.

Proposals

Following a review of the consultation exercise, EQIA, further consideration by officers, realignment of funding to voluntary organisations is as follows:

C-rated organisations, where it is proposed that direct Council funding ceases from 1 October 2014:

Project Name	Funding 2013/14
Open Secret	£16,433
WISH (Women in Sport and Health)	£19,500
Candies Cuisine	£29,328
Central Scotland Rape Crisis and Sexual Abuse Centre - Youth Project	£9,267
Central Scotland Regional Equality Council	£7,722
Hawkhill Community Association	£36,013
Arts Forum	£3,958
Ochil Leisure Enterprises	£75,000
TOTAL	£197,221

B- rated organisations - proposed that direct Council funding at 2013/14 levels is guaranteed for 1 year during which time officers will engage with the provider to consider service redesign options. For the purposes of transparency, ceasing or substantially reducing provision may be included within the options appraisal.

Project Name	Funding 2014/15
Soup Pot	£3,000
Clackmannanshire Sports Council	£6,923
Play Alloa	£18,018
Central Scotland Rape Crisis and Sexual Abuse Centre	£14,320
Funded Halls and Trusts - Clackmannan, Coalsnaughton, Devonvale	£14,625
Community Maintenance and Environmental Enterprise	£40,050
Reachout with Arts in Mind	£47,200
SAMH	£159,800
Who Cares?	£7,630
Barnardo's (Freagarrach)	£45,000
Central Carers Association	£58,188

Project Name	Funding 2014/15
Clackmannanshire Women's Aid	£157,248
People First (Clackmannanshire)	£22,172
Cafe Society	£21,996
TOTAL	£616,170.00

A-rated organisations - proposed moving to a 3 year funding arrangement with no funding reduction from the 2013/14 position, subject to procurement requirements and mutually agreed service redesigns.

Project Name	Funding 2014/15
Action for Children (Tullybody Families)	£160,875
Action for Children (Tayvalla)	£93,410
Homestart	£76,889
Artist in Residence Project	£4,780
Sauchie Active 8	£34,827
Clackmannanshire Healthier Lives	£191,770
Community House	£38,180
Addictions Support and Counselling	£8,640
Clackmannanshire Citizens Advice Bureau	£128,700
TOTAL	£738,071.00

Ceasing funding to those organisations assessed as C will realise budget reductions of:

- 2014/15 - £98,610
- 2015/16 - £98,610

Additionally, Council approved one-off funding agreements for 2013/14. These included:

- Food Banks - £10,000
- Alloa Athletic Football Club - £5000

It is proposed that the two Food Banks should be funded (£10,000 apportioned between both) for a further year in recognition of increasing demand. This is to enable further time for them to become self-sustaining. It is proposed that the Head of Strategy & Customer Services should decide the proportion of allocation for 2014/15 following discussions with both.

In line with the Council decision of 15 August 2013. funding to Alloa Athletic Football Club will not be renewed in 2014/15, and therefore will realise an additional saving of £5,000.

Overall, based on these officer proposals, realignment of funding to voluntary organisations in Clackmannanshire for 2014/15 would realise a funding reduction of **£103,610.**

Next Steps

If these proposals are approved, next steps would be as follows:

- all funded organisations and their council monitoring officer will be notified in writing of the outcome;
- monitoring officers will be tasked with putting in place SLAs for all funded organisations, as per the Council's Code of Practice. These should be in place no later than 31 May 2014. No payments will be authorised until a signed SLA is in place;
- briefings and further training for monitoring officers on the Council's Code of Practice will be provided
- where an organisation is to lose its funding, transitional support will be offered through the monitoring officer. Where support is accepted, the monitoring officer, will work with the Council's community support staff and partners, including CTSI if appropriate, to develop a transition plan. This may include support to apply for alternative sources of funding.
- a programme of engagement with the B-rated organisations, coordinated by the Head of Strategy & Customer Services will commence to review service redesigns based on priorities and developing Making Clackmannanshire Better activity.

EQIA

A stage 2 Equalities impact assessment has been completed. This identified potential low impact implications for 4 protected characteristics: sex and disability, race and religion, however, it is considered these impacts can be mitigated through adjustments where appropriate or necessary.

