

# APPENDIX F

## WAVERLEY BOROUGH COUNCIL

### COMMUNITY OVERVIEW & SCRUTINY COMMITTEE – 9 NOVEMBER 2009

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#### Title:

#### **IN-DEPTH REVIEW: WORKING WITH THE VOLUNTARY SECTOR – SCOPING REPORT**

[ Portfolio Holder for Communities & Partnerships: Cllr S Reynolds]  
[Wards Affected: All]

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#### Summary and purpose:

At its meeting in June, the Committee agreed to undertake an in-depth review of the Council's approach to working with and funding the voluntary sector. The purpose of this report is to establish the parameters and timetable for the review.

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#### How this report relates to the Council's Corporate Priorities

Improving Lives: Waverley supports a wide range of voluntary and community organisations that provide services and amenities to our local communities. Through these groups Waverley contributes to improving the lives of individuals who directly benefit from services provided (e.g. clients of Hoppa, users of the community and Day Centres, young people); helps generate social capital with our local communities through support for volunteering; and contributes to a more general satisfaction with Waverley (as the place where they live) amongst residents.

Value for Money: By supporting the voluntary and community sector to deliver services, Waverley is able to benefit from a considerable amount of volunteer time that would not necessarily be available in the same way if it was felt that project delivery was 'owned' by the Council. For example, a recent survey by Voluntary Action South West Surrey of voluntary and community groups supported by the Guildford & Waverley Voluntary Grants Partnership suggested that in total there were over 5,000 volunteer hours a week given by volunteers in service delivery. The recession has caused significant issues for Waverley with reduced income but it has also caused significant difficulties for voluntary and community groups whose own investments and those of other grant funding organisations they approach have been significantly reduced.

Environment: Many social enterprises and community groups undertake activities that have a positive effect on the environment.

Leisure: Many social enterprises and community groups undertake activities that have a positive effect on leisure and arts activities in the Borough

#### Equality & Diversity Implications

The support provided to voluntary groups helps to provide for groups and individuals who might otherwise be excluded from opportunities to enjoy activities and receive essential services.

### **Resource /Value for Money Implications**

There are no direct resource implications associated with this report apart from the staff time involved in undertaking the review. It is proposed that the scope of the review includes a review of the principles of the funding support provided to voluntary groups by Waverley.

### **Legal Implications**

There are no legal implications associated with this report.

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### **Background**

1. Voluntary and Community Sector (VCS) groups directly and indirectly help Waverley deliver a range of services covering sport and leisure, arts, young people and older people. Whilst these are generally non-statutory services, they are prioritised under the Council's Corporate Plan objectives. In other local authorities, some of these services are delivered in-house, e.g. older peoples day or community centres.
2. There is a national government agenda to promote partnership working, including working with the VCS and social enterprises (also sometimes referred to collectively as the 'third sector') to deliver services. Local authorities are assessed on this as part of the Comprehensive Area Assessment (CAA), along with the extent to which the local environment promotes a thriving third sector community (National Indicator NI7).
3. How public sector bodies work with the third sector is shaped by the Compact, which is an agreement between Government and the voluntary and community sector in England. It recognises shared values, principles and commitments and sets out guidelines for how both parties should work. Locally, Waverley has signed-up to the Surrey Compact, which is a commitment to continually improve relationships between public sector organisations, the VCS, and organisations representing users and carers.
4. With increased pressure on public budgets, there is pressure on public sector bodies to cutback funding to VCS organisations, either across the board or to particular low(er) priority groups/services. However, many VCS organisations rely on the grant funding they receive from public sector organisations, and some would be unable to continue if it were to cease.
5. Waverley funds a wide range of VCS organisations, mainly through its two grant funds, the Community Partnership Fund (CPF) and the jointly funded Waverley Voluntary Grants Partnership (WVGP).
6. The CPF (which incorporated the Sponsored Organisation Scheme and matched funding scheme) funds the running costs of voluntary organisations to a total of £629,000 (2009/10). Current recipients have been advised that it is unlikely that there will be any additional funding available for 2010/11 (and no inflationary uplift).
7. The WVGP provides running costs or project funding (but not capital costs) for social and healthcare groups in a tripartite funding arrangement with Surrey

CC and NHS Surrey. Waverley's contribution to the WVGP in 2009/10 was £54,000 with total grants allocated of £303,000. Recently NHS Surrey has undertaken a major review of its arrangements and the Voluntary Grants Partnership, although held up as a model of good practice and effective outcomes, is facing an uncertain future. Funding is at the same level 2010/2011, with some top slicing of NHS Surrey funding for organisations that work across boroughs.

8. Waverley provides indirect financial support to some groups by providing them with premises from which to operate. Waverley also provides non-financial support, through officer and member support, advice and guidance. Member support may include being appointed as a trustee or observer on Board's or committees.

### **Scope of the review**

7. Members have suggested that the criteria and operation of both of the CPF and the WVGP should be reviewed, bearing in mind the changes to funding of the Voluntary Grants Panel proposed by NHS Surrey, SCC's Grants to Contracts programme, the requirements of the SCC Supporting People supported schemes and the move to self-directed budgets. Members have also raised concerns about the role of Waverley-nominated observers on outside bodies sometimes being excluded from business.
8. Against this background it is suggested that the review looks at the following issues.
  - 8.1 Financial support provided by Waverley –
    - i. What criteria should be followed in the allocation of funding to voluntary organisations eg the contribution made by the organisation to delivery Waverley's corporate priorities, the amount of funding provided in previous years, the contribution made by other providers of funds?
    - ii. Should Waverley provide funds for core running costs or only for specific projects?
    - iii. If Waverley funds core running costs, should there be a limit on the proportion Waverley contributes eg a maximum of 50%, 75%?
    - iv. Waverley's financial support for some organisations includes rent-free use of premises and rate relief. Should the value of this support be made more explicit in the assessment of applications for direct grant support?
    - v. Should Waverley be considering moving to awarding contracts or more formal Service Level Agreements rather than grants, and would the additional administrative work involved outweigh the benefits?
    - vi. Depending on the outcome of the NHS Surrey and Surrey CC strategic reviews of their funding of the WVGP, is it timely for Waverley to also review strategically whether it wishes to change its funding by this route to all the organisations? Would Waverley get more recognition by being seen to be directly funding certain organisations or would vulnerable clients lose out under a different approach?

8.1.1 Non-financial support (eg attendance at committee meeting by Link Members or officers).provided by Waverley –

- i. What is the added value to Waverley of providing officer/member support – where else might groups get the same or similar support if not from Waverley? e.g. infrastructure organisations such as Surrey Community Action and Voluntary Action South West Surrey.
- ii. Should there be a formal job role and statement of the role of the Link Member and Officer in order to manage expectations organisations might have, and to address member issues relating to potential and perceived conflicts of interest around funding?
- iii. Some other district councils have a Voluntary Sector officer. What added value would such support offer for Waverley and/or for our supported VCS groups? E.g. helping to build capacity within the sector as a whole, acting as a focal point with the Council for sector-related communication and information.

### **The review process and timetable**

9. In view of the many issues to be addressed by this review and it is suggested that much of the detailed work would best be undertaken by a Member Task and Finish Group.
10. The suggested process and an outline timetable for the review are set out below:

#### **November 2009**

Establishment of Task and Finish Group

#### **December 2009/February 2010**

- i. First meeting of Task and Finish Group to consider detailed programme for the review.
- ii. Mapping exercise undertaken by officers to establish the level of in-kind and non-financial support provided to VCS groups in Waverley, to include a short survey and discussions with officers and Members to establish the amount of time and type of support they provide, and their qualitative assessment of its value.
- iii. Officer review of Waverley's support for VCS organisations by sector (e.g. arts, sports, young people's services, older people's services, etc) to consider the total of grant spending in relation to outcomes and whether it achieves Waverley's corporate priorities and satisfies equality and diversity objectives. As part of this sector review, members may wish to include direct spending by Waverley, e.g. a comparison of the costs of concessionary travel and subsidised fare schemes with funding of community transport services.

## **February/March 2010**

Meeting of Task and Finish Group to consider outcome of mapping exercise and sector review, and to prepare for Select Committee meeting.

## **April 2010**

Meeting of Committee in Select Committee mode to obtain evidence from third sector organisations funded by Waverley, other sector organisations (e.g. Voluntary Action South West Surrey, Surrey Community Action) and other statutory agencies (e.g. SCC, NHS Surrey) and others with an interest in this area.

## **May/June 2010**

i. Review of funding principles to include consideration of whether Waverley should move to longer term funding for strategic services provided through its VCS partners where these represent good value for money.

ii. Meeting of Task and Finish Group to consider funding principles.

## **July 2010**

Preparation of draft final report and consideration by Task and Finish Group

## **September**

Final report considered by Community Overview and Scrutiny Committee.

## **Recommendation**

It is recommended that:

1. The Committee considers the scope of the in-depth review of the Council's approach to working with and funding the voluntary sector, and agrees the key questions to be addressed by the review.
2. A Task and Finish Group be established to undertake the detailed work and gathering of evidence required for the review.
3. The review be conducted in accordance with the outline timetable set out above.

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## **Background Papers (SDoCS)**

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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