

HAMPSHIRE COUNTY COUNCIL

Decision Report

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| Decision Maker: | Executive Member for Policy and Resources |
| Date: | 9 March 2017 |
| Title: | Annual core infrastructure grants to Voluntary and Community Sector Organisations |
| Reference: | 8121 |
| Report From: | Assistant Chief Executive – Corporate Services |

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1. Executive Summary

1.1. This report recommends the approval of annual core infrastructure grant funding in 2017/18 from the Policy and Resources budget to the following organisations:

- Local Councils for Voluntary Service and Action Hampshire
- Relate South Hampshire and the Isle of Wight
- Citizens Advice Hampshire
- Hampshire Association of Local Councils

2. Background

Support to the Voluntary and Community Sector

2.1. The proposed awards (set out in Section 5) include support to a range of infrastructure organisations whose role is to support and develop the capacity and capability of the c. 8000 plus voluntary and community sector (VCS) organisations that operate across Hampshire.

2.2. Following a detailed review in 2014, grant funding for infrastructure organisations has reduced over the past two years and been more closely aligned to the County Council's transformation priorities. However, despite significant, ongoing spending reductions, this paper recommends no further funding reductions in 2017/18 for infrastructure organisations supporting the VCS. This is for two main reasons:

- **To support delivery of future savings** - By April 2017, the County Council will have secured £350 million of savings and has to plan a further £140 million of efficiencies by 2019. **The VCS in Hampshire has a vital role to play in supporting delivery of these savings** – helping to manage down demand for more costly public services, build resilient neighbourhoods and support people to find community-based

solutions. Infrastructure organisations have an important function in enabling Hampshire's VCS to undertake this work effectively and efficiently – ultimately delivering positive outcomes for Hampshire's most vulnerable residents.

- **To realise efficiencies and enable greater self-sufficiency** – The County Council has a duty to ensure that its grant funding achieves maximum return on investment for residents and provides good value for money. To this end, **the County Council wants to support Hampshire's infrastructure organisations to become more efficient and financially self-sustaining.** Maintaining grant funding at current levels is intended to provide temporary transitional funding to enable infrastructure organisations to transform **at an accelerated pace.** This will reduce reliance on County Council funding in future years, whilst enabling more resources to be directed at supporting Hampshire's VCS.

Support to Town and Parish Councils

- 2.3. For completeness, this report also considered the allocation of grant funding from the Policy and Resources budget for Hampshire Association of Local Councils, which represents, informs and supports Town and Parish councils across the county. The recommendation for future infrastructure funding for Hampshire Association of Local Councils set out in Section 4.

3. Detailed proposals

Councils for the Voluntary Sector (CVS) and Action Hampshire

Past and current funding

- 3.1. CVS organisations provide direct support to Hampshire's VCS. There are currently 10 local CVSs across Hampshire, organised into four CVS 'clusters'. VCS organisations that operate at district level or below can become members of local CVS and access support. Countywide VCS organisations tend to receive infrastructure support from Action Hampshire, which provides support across the whole Hampshire footprint.
- 3.2. Over the past two years, funding for local CVS organisations has reduced from £505,000 in 2013/14 to £471,000 in 2016/17 – representing a reduction of 3.5% each year for the past two years. In 2015/16, the County Council stopped funding the individual district based CVS and moved to funding four self-selecting CVS clusters (Northern, Central, South West and Gosport and Fareham). East cluster has a lead CVS accountable for delivery against an agreed development plan, aligned to County Council department priorities.
- 3.3. The amount of infrastructure funding awarded to Action Hampshire has reduced by 50% each year for the past two years. During 2016/17, Action Hampshire received £50,000 towards continuing and developing work previously undertaken on behalf of the Hampshire Children's Alliance and £30,000 core funding for infrastructure support to the VCS.

Future direction

3.4. The County Council is working closely with the Chief Officers of Hampshire's CVS organisations to consider how the organisations might continue to support the County Council's transformation priorities, whilst moving rapidly to become more efficient and financially self-sustaining.

3.5. Dialogue has been based on a common understanding that Hampshire's CVS have a valuable contribution to make to delivering shared objectives, irrespective of funding arrangements. However, discussions have also helped to highlight several areas where changes could support the CVS to deliver a greater return on the County Council's funding investment. These include the need to:

- Reduce the levels of confusion and inconsistency in communication caused by the **different interfaces** that exist between County Council departments and the various local and county-wide CVS;
- **Define and translate outcomes** into tangible actions to enable more effective partnership working;
- **Identify appropriate performance measures** that are both stretching and achievable - and to allow sufficient time for the CVS to demonstrate progress;
- **Establish a clearer separation between CVS infrastructure support and service delivery roles.** This distinction is important as more of the CVS have become both providers of services (e.g. day care, community transport) and infrastructure support, potentially leading to conflict of interest.

3.6. To address these challenges, and as a result of engagement with the CVS, the following changes in approach are proposed for 2017/18:

- **Strategic dialogue** – In order to improve consistency in messaging, and support strategic partnership arrangements, the Assistant Chief Executive will act as the primary point of officer contact for Hampshire's CVS. Working closely with the Executive Member for Communities, Partnerships and External Affairs, the Assistant Chief Executive will lead further strategic discussions around what the County Council and the CVS might achieve together for the benefit of Hampshire's residents. The Executive Member, whose portfolio encompasses the County Council's relationship with Hampshire's CVS organisations and VCS, will continue to shape future infrastructure funding recommendations to the Leader, and ensure this agenda remains aligned to the County Council's priorities.
- **Single interface with the Sector** – Over time, the County Council would prefer to have a single interface with Hampshire's CVS, for reasons outlined above. Good progress has already been made towards this position with the establishment of the four CVS clusters. From April 2017, the number of clusters will reduce further to three, as the Central and Gosport and Fareham clusters join to form a new South East and Central cluster.
- **Temporary transitional funding** – It is proposed that infrastructure grant funding is retained at current levels to support Hampshire's CVS to accelerate progress to becoming more efficient and financially self-

sustaining. This may be achieved through sharing services, streamlining delivery, integrating infrastructure support, reducing duplication and embracing new ways of working.

The County Council recognises that even with funding, the CVS will need to continue to transform beyond 2017. Nevertheless, it is expected that the CVS will be able to demonstrate progress towards greater integration and efficiency. This is vital as the County Council is unlikely to be able to maintain current funding levels beyond 2017/18.

- **A clearer distinction between the infrastructure and service delivery roles** – The Assistant Chief Executive will manage the County Council’s relationship with the CVS relating to core infrastructure funding. Service specific grants will continue to be managed by departments.
- **A revised specification focused on core infrastructure support** - Work is ongoing with the CVS to co-produce a specification for core infrastructure support. The specification will form the basis of funding agreements, due to be in place by 1st April 2017, and is likely to comprise the following areas:
 - **Core infrastructure support to build capacity within the VCS** – including: back office support; peer review; training; developing alternative delivery models, such as social enterprises.
 - **Sector engagement and representation** – including: acting as a conduit between the County Council and the VCS; providing a voice on behalf of the VCS on strategic issues; supporting service users to participate in the co-design of services.
 - **Information, advice and signposting** – including: developing an improved web presence, providing a ‘one stop shop’ for information on infrastructure support and an effective channel for communicating key messages to the Sector.
 - **Advancing a ‘strengths-based’ approach** – including: the use and promotion of *Connect to Support* Hampshire; roll-out of the Older Persons Wellbeing Trigger Tool; promotion of Adults’ safeguarding training.
 - **Volunteering support** – including: the provision of an integrated volunteering support offer, through local volunteer centres, to increase volunteers for both County Council services and community-based opportunities.

Citizen’s Advice Hampshire

3.7. Infrastructure funding awarded to Citizen’s Advice Hampshire reduced from £95,770 in 2014/15 to £86,432 in 2016/17, representing two consecutive annual reductions of 5%.

3.8. Citizen’s Advice Hampshire provides support to a consortium of 14 Local Citizens Advice through the provision of training and development to around 220 paid employees and 1000 volunteers, and two specialist advice lines – one focused on employment and the other on welfare. In addition, Citizen’s

Advice Hampshire provides a single point of contact between Local Citizens Advice and wider strategic partners – including helping to align their services with those of the County Council.

- 3.9. Citizen's Advice Hampshire's annual impact report states that the County Council's funding enables the Service to support 59,003 people each year – with a 90% satisfaction rate. For every £1 invested by the County Council, Citizen's Advice Hampshire generates £15.47 for Hampshire clients.
- 3.10. Looking to the coming year, Citizen's Advice Hampshire is proposing to use future funding to support its training and development offer, including through online delivery. In time, the organisation believes this could provide an income source, thereby potentially reducing the Service's reliance on core grant funding. Citizen's Advice Hampshire is also looking to enhance the service offered through its specialist welfare support line. The County Council is continuing to engage with Citizen's Advice Hampshire to explore further ways to maximise value for residents through a strategic partnership approach.

Relate South West Hampshire and the Isle of Wight

- 3.11. Infrastructure funding awarded to Relate reduced from £24,597 in 2014/15 to £22,199 in 2016/17, representing two consecutive annual reductions of 5%.
- 3.12. Throughout 2016/17, Relate has continued to provide relationship counselling, therapy and life skills training at nine venues across Hampshire. Relate has seen an increase in enquiries and initial referrals from the CAMHS team, Children's Services and GPs across the area, although clients themselves continue to be the main source of referral.
- 3.13. Since April, Relate has worked with 411 males, 480 females and families involving 945 children. The Service has also referred clients onto other agencies, including Respect, Women's Aid and No Limits.
- 3.14. During 2017/18 there are opportunities to strengthen engagement between Relate and the Supporting Troubled Families Programme co-ordinators, helping to support Hampshire's most vulnerable families. The County Council will also work with Relate over the coming year to explore ways to reduce its reliance on infrastructure grant funding to cover accommodation and rental costs.

4. Hampshire Association of Local Councils

- 4.1. The current three-year partnership agreement with Hampshire Association of Local Councils finishes at the end of the current financial year. Following on from devolution discussions and the consultation with Town and Parish Councils last year, there is an opportunity to refine our ongoing agreement so that it develops appropriate opportunities for both Town and Parish Councils and the County Council to work together around this agenda.
- 4.2. In advance of a forthcoming roundtable discussion to aid in the development of those ideas, it is proposed to agree a one-year extension of the current partnership agreement. Following on from the Policy and Resources Select Committee presentation on 21 April 2016, and subsequent discussions, Hampshire Association of Local Councils has confirmed their direction of

travel in seeking to reduce their dependency upon local authority grant funding. The current annual funding figure is £70,000 a year and Hampshire Association of Local Councils has agreed a 10% reduction for the transition year to reflect not only their direction of travel as an organisation but also the context faced the County Council.

- 4.3. During 2017 discussions will take place to develop an appropriate agreement with Hampshire Association of Local Councils that reflects the ongoing needs and opportunities of both organisations. This will include engagement with the Policy and Resources Select Committee in advance of any approval of a further three-year agreement. Consequently the recommendation is that the current agreement is extended for a period of one year with financial support of £63,000.

5. Finance

- 5.1. The total amount of the grants recommended for approval is £659,741, which can be accommodated within the budget allocation for 2017/18. This is consistent with the amount of funding awarded in 2016/17 for the reasons detailed in this report¹. The proposed allocations are set out in the table below.

| Organisation | Funding in 2016/17 | Recommended award for 2017/18 |
|---|--------------------|-------------------------------|
| Local Councils of Voluntary Services | £470,614 | £470,614 |
| Action Hampshire | £80,496 | £80,496 |
| Relate South West Hampshire and the Isle of Wight | £22,199 | £22,199 |
| Citizens Advice Hampshire | £86,432 | £86,432 |
| Hampshire Association of Local Councils | £70,000 | £63,000 |
| Total funding | £729,741 | £722,741 |

- 5.2. The proposed award to local CVSs will be made through three self-selecting clusters (Northern, South East and Central and South West).

6. Recommendations

- 6.1. It is recommended that:

- a) The future direction and change in approach set out Sections 3 and 4 is endorsed.
- b) The annual grants in 2017/18 from the Policy and Resources budget are awarded to the voluntary and community organisations and Hampshire Association of Local Councils as set out in section 5 of this report.
- c) Further work is undertaken during 2017/18 to monitor outcomes and understand the opportunities for ongoing joint working and to determine proposed grants for 2018/19 and beyond.

¹ Grant funding for Hampshire Association of Local Councils (HALC) is being considered separately.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

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|---|-----|
| Hampshire safer and more secure for all: | Yes |
| Maximising well-being: | Yes |
| Enhancing our quality of place: | Yes |

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

All of the infrastructure organisations, by the nature of their work, support the development of VCS groups that work with vulnerable people. It is, in part, in recognition of this vital role that this paper recommends maintaining grant funding for 2017/18 at 2016/17 levels. CVS grant funding will, however, be refocused on core infrastructure support to the VCS.

As a result of redefining the funding 2017/18 specification, one protected characteristic has been identified as potentially being impacted at a low level, which is age. This is because Children's Services no longer wish to use the core infrastructure grant to fund Action Hampshire to deliver the work of the Children's Alliance.

The impact of this change is considered to be low because CVS organisations, including Action Hampshire, will continue to receive grant funding to support all VCS organisations, including organisations that support children and young people. There are also other organisations which support children and young people which receive financial support from the County Council.

The Assistant Chief Executive is working closely with the Chief Executives of the CVS clusters and Action Hampshire to ensure that the revised 2017/18

funding specification continues to be directed towards supporting vulnerable communities. For example, the revised specification will require grant receiving bodies to demonstrate proactive support for equalities and diversity. Recognition will also continue to be given to the value of volunteers that continue to work with community groups, in particular those who are marginalised.

The revised funding agreements will also place greater emphasis on CVS organisations working together to generate efficiencies and become more self-sustaining. In this way, the County Council will support CVS organisations to transform - releasing resources for frontline support activities.

2. Impact on Crime and Disorder:

- 2.1. The grants support capacity within the community to develop resilience and the effectiveness of local voluntary groups to support strong and safe communities.

3. Climate Change:

- 3.1. By continuing to work closely with the VCS infrastructure organisations, the County Council may have greater ability to influence these organisations, and their members, to support the County Council's aims with regard to climate change.