

FOR PUBLICATION

FUNDING TO VOLUNTARY AND COMMUNITY ORGANISATIONS 2015/16 **- SERVICE LEVEL AGREEMENTS**

MEETING:	1. CABINET 2. CABINET MEMBER FOR HEALTH AND WELLBEING IN CONSULTATION WITH CABINET MEMBER FOR GOVERNANCE
DATE:	1. 30 JUNE 2015 2. 22 JUNE 2015
REPORT BY:	DEVELOPMENT AND GROWTH MANAGER
WARD:	ALL
COMMUNITY ASSEMBLY:	ALL
KEY DECISION REFERENCE	409

FOR PUBLICATION

BACKGROUND PAPERS FOR PUBLIC REPORTS: n/a

1.0 **PURPOSE OF REPORT**

1.1 To seek Members' agreement to Service Level Agreements contained within the report.

2.0 **RECOMMENDATIONS**

2.1 The level of funding for Service Level Agreements (SLAs) be maintained at the 2014/15 level to all organisations. A total fund of £266,160 for 2015/16.

2.2 The SLA Schedule 1 table, for each organisation, attached at Appendix 2 to the report, be approved for inclusion within the SLAs for 2015/16.

2.3 That a review is undertaken during 2015/16, with partners from across Derbyshire on the future level of funding available for voluntary and

community groups to reflect changes in the total levels of public finance available, taking into account any impacts this may have locally.

3.0 BACKGROUND

- 3.1 Members agreed in November 2007 that large grant funding should be delivered through Service Level Agreements. This format enables an annual review of the delivery of services to which the Council contributes, without the need for organisations to complete full application forms. Schedule 1 of the SLA provides details of the activities to be delivered with clear outputs and milestones identified against which the service can be monitored.
- 3.2 All recipients have submitted an Annual Progress Report outlining achievements during 2014/15 and attended an annual review meeting which has helped to inform the SLAs for 2015/16. Annual Progress Reports are attached at Appendix 1.
- 3.3 Each organisation has provided copies of their latest audited accounts. These accounts have been reviewed and a financial test has been conducted by the Chief Accountant. A further annual review of performance against targeted outcomes contained within the SLA will be undertaken in the autumn of 2015/16 in line with current practice.

4.0 SERVICE LEVEL AGREEMENTS

- 4.1 The Schedule 1 for each SLA has been reviewed in accordance with the recommendation approved in the 2014/15 report to Cabinet. The Schedule has recently been updated to reflect the new Council Plan with each organisation identifying those objectives, outcomes, measures and targets to which they can contribute. Each organisation has completed the revised schedule 1 to reflect activities planned for the coming year and these are attached at Appendix 2.
- 4.2 During 2014/15, in addition to the review of schedule 1, the level of funding to be made available to organisations in future years has been discussed with the Executive Member for Customers and Communities and the Leader of the Council resulting in the recommendation that budgets for 2015/16 be maintained at the 2014/15 level. A budget of £266,160 was included with the approved Council's budget report in February 2015.

- 4.3 It is proposed that the overall level of funding for SLAs be maintained for all organisations for the period 2014/15 as detailed below, subject to satisfactory adherence to the terms of the SLA's by the organisations in receipt of the funding.

Table 1

SLAs	14/15 Actual	15/16 Proposed
CAB	133,750	133,750
Law Centre	46,330	46,330
Shopmobility	24,210	24,210
DUWC	44,090	44,090
Links	17,780	17,780
Total	£266,160	£266,160

5 FUTURE YEARS FUNDING

- 5.1 The level of funding available to SLA's has remained constant since 2007/08. Given the financial pressure that the Council has faced in previous years and the savings required in the coming years, it is proposed that a full review is undertaken, with partners from across Derbyshire (who are also facing likely reductions in overall public funding available) on the likely level of funding available to support voluntary and community groups in the area.
- 5.2 It is proposed that a review is undertaken as early in the year as possible in order to allow sufficient time for the organisations potentially affected to consider how the findings of the review may impact upon them. This is not to predetermine any outcome, but in the event of a reduction in available funding, organisations will need to have time to consider how any savings can be achieved, what impact there will be on the delivery of services, the impact on the delivery of activity currently paid for by the Council and also to enable a full Equalities Impact Assessment to be prepared for consideration by Members.

5.0 RISK MANAGEMENT

Description of the Risk	Impact	Likelihood	Mitigating Action	Resultant likelihood	Resultant Impact
Maintaining funding to voluntary and community organisations in 2015/16 could impact on other Council services given the limited financial flexibility the Council faces.	H	M	This funding is considered in the context of the Council's budget setting process and has been approved within the 2015/16 budget; a review will be undertaken with partners from across Derbyshire to establish future resources to support voluntary and community groups.	M	L
There is a risk that there may be disagreement regarding the content of the SLAs with individual organisations	M	L	Annual review meetings and regular monitoring mean that a good dialogue exists between the Council and the organisations funded and agreement on targets can be reached satisfactorily.	L	L
The level of funding may not be sufficient to meet the demand for advice, this could lead to long waiting times for residents to receive the advice they need.	M	M	This is a risk for the organisations as well as the Council and has been managed well by the advice agencies. Measures such as relocating to the Town Hall will help to mitigate	M	L

Description of the Risk	Impact	Likelihood	Mitigating Action	Resultant likelihood	Resultant Impact
			this risk by provide economies of scale to the organisations involved.		
There is a risk to the reputation of the Council if a review of funding to voluntary groups is not undertaken efficiently.	M	M	CBC will work with other public sector partners to review the impact of future funding constraints on the vol/com sector. This will be undertaken as soon as possible to ensure groups are adequately consulted.	M	M

6.0 **FINANCIAL CONSIDERATIONS**

- 6.1 The financial implications are set out within the report. The proposed budget for SLAs to the voluntary and community sector of £266,160 was incorporated within the overall Council budget report approved in February. It is proposed that consultation takes place with partners across Derbyshire on the future funding of voluntary and community groups to reflect changes in the levels of public funding available.
- 6.2 All applicants, with the exception of Links, have passed the Council's financial test. Links have more than 50% of their average annual spend in reserves. However, in line with Charities Commission guidance, this is considered to be good practice in terms of financial management for third sector organisations.

7.0 **EQUALITIES CONSIDERATIONS**

- 7.1 A preliminary Equality Impact Assessment (EIA) has been undertaken with regard to the recommendation to maintain funding at previous levels. It is proposed that a full EIA is prepared following the consultation with groups on the impact of a proposed 10% reduction in funding in 2016/17.

8.0 **RECOMMENDATIONS**

- 8.1 The level of funding for Service Level Agreements (SLAs) be maintained at the 2014/15 level to all organisations. A total fund of £266,160 for 2015/16.
- 8.2 The SLA Schedule 1 table, for each organisation, attached at Appendix 2 to the report, be approved for inclusion within the SLAs for 2015/16.
- 8.3 That a review is undertaken during 2015/16, with partners from across Derbyshire on the future level of funding available for voluntary and community groups to reflect changes in the total levels of public finance available, taking into account any impacts this may have locally.

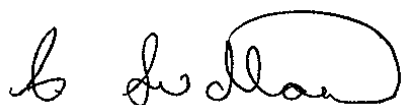
9.0 **REASON FOR RECOMMENDATIONS**

- 9.1 To ensure that the future delivery of funding to Voluntary and Community Groups meets the priorities of the Council and the needs of the residents of Chesterfield within a realistic and sustainable budget.

N JOHNSON
DEVELOPMENT AND GROWTH MANAGER

Further information on this matter can be obtained from Laurie Thomas/Lynda Sharp (Ext. 5256).

Officer recommendation supported.



Signed Cabinet Member

Date 22.6.2015

Consultee Cabinet Member/Assistant Cabinet Member comments (if applicable)/ declaration of interests