

REPORT FOR: Grants Advisory Panel

Date of Meeting: 13th September 2011

Subject: **INFORMATION REPORT –**
Update on the Third Sector Investment Plan
Proposals

Responsible Officer: Brendon Hills, Corporate Director Community
and Environment

Exempt: No

Enclosures: None

Section 1 – Summary

This report brings to the Panel's attention the current position of the Third Sector Investment Plan proposals and the next steps.

FOR INFORMATION

Section 2 – Report

- 2.1 This report is updating the Grants Advisory Panel on the next steps for the Third Sector Investment Plan. It is intended to bring a report to 18th October 2011 Cabinet to approve the move to a Third Sector Investment Plan. There is a tight timescale for implementation for funding to be awarded for 2012/13 and there is still some further work required on the detailed work before implementation. The Grants Advisory Panel have previously advised against implementation for 2012/13 to allow for more time to develop the detailed specifications with further consultation.
- 2.2 The following options for implementation for commissioning/small grants have been identified:

Option 1: Introduce small grants and commissioning for 2012/13 as planned.

The potential timetable for this would involve training for organisations later in October and commissioning/small grants processes being offered from November 2011 for final decision in March 2012.

Pros

- A consultation has been undertaken which shows support for a move to commissioning.
- Commissioning will allow services to be secured on a long-term basis and offers more certainty to VCS organisations.
- Commissioning enables the Council to make more strategic decisions about the use of funds.
- The move to small grants and commissioning is part of a wider strategic view of how the Council supports the VCS.

Risks

- Tight timescales for officers to implement the decision, develop service specifications, etc.
- Potential lack of preparedness of the sector to be ready to compete to deliver services through a competitive tendering process.
- VCS feels that concerns have not been listened to.

Option 2: Implement a phased introduction of commissioning

This would see a phased implementation with development of one or two key service specifications and with the remainder of the grants budget to be allocated using the current grants processes.

Pros

- Allows the Council to test out the approach in one or two service areas before wider roll-out.
- Piloting the approach would allow the Council and VCS to identify areas for development.

Risks

- A clear rationale would need to be developed for the specific service area to be developed

Option 3: Delay the introduction of small grants and commissioning to 2013/14

This would see a move to commissioning/small grants for development/implementation during 2012/13 and awards for later in 2012/13 or in 2013/14. The grant funding for 2012/13 would be done using the current grant scheme.

Pros

- Allows more time for consultation and the development of service specifications.
- Allows more time for VCS organisations to understand commissioning and the potential implications for them of the change to small grants and commissioning.
- Allows more time for VCS organisations that may not be eligible for commissioning or small grants to secure alternative funding.
- Allows more time for VCS organisations to prepare for competitive tendering.

Risks

- Some organisations that might be commissioned through a service specification process will have to compete for annual grant funding with no guarantee of being successful and securing funding at a level required to continue services.
- Some VCS organisations have already highlighted the risk to their service if they are not successful in securing adequate grant funding in 2012/13.

Option 4: Retain current grant-giving system and do not introduce commissioning

The current system is retained for the long term.

Pros

- The current grants system is familiar to the voluntary and community sector
- The current system supports large and small organisations to deliver a range of services in the borough.
- The current system is an open competitive process to any organisation or for any service/project as long as the grants criteria is met.

Risks

- All projects/services compete alongside each other annually for grant funding with no certainty of success.
- An annual grant-giving process offers no long-term certainty of funding and impacts on VCS organisations ability to plan their services.

- An annual grant-giving process does not allow the Council to take a strategic approach to its use of funds or securing services from the VCS.

2.3.1 The Third Sector Plan also encompasses other areas of support by the Council to the Voluntary and Community Sector. There are a number of opportunities to take forward support for accommodation for the voluntary and community sector including a review of the offer at Community Premises in South Harrow where 26 organisations receive free office and other facilities.

These include the following:

Community Premises (South Harrow)

Developing a new accommodation strategy to include the strategic formalisation of support such as DRR and leasing charges. Projects include:

- 1) Development of new community hub space in libraries, children's centres and community halls. This is a potential corporate project between Community Development, Children's Services and Adults & Housing to see where voluntary and community sector organisations can be supported/encouraged to make better use of existing facilities. A potential pilot is under discussion.
- 2) Harrow Strategic Partnership: two applications have been received for funding to develop a community resource centre in Harrow: Carramea which is a cooperative of organisations based at the existing South Harrow base and Raft which is a cooperative including Mencap, African Sang and others. £60,000 has been put aside from the LAA reward grant for consideration of these two options as one potential combined project.
- 3) The Government has announced the Infrastructure Fund which includes development of premises into resource centres for community organisations.

Whilst these proposals are under consideration, the organisations based at Community Premises in South Harrow have been given an extension of their SLAs until December 2011.

Community Lettings

This Council scheme, whereby organisations receive a 50% discount on school bookings which are made through the council, has been reviewed several times over the years. It is currently a laborious, bureaucratic system which schools have indicated that they would wish to see changed. Community organisations, however, are concerned to preserve the council subsidy for these bookings.

The schools which have become Academies have indicated that they will make direct bookings with community organisations, at the rates currently charged to those organisations. That will leave only 8 or 9 primary schools in the Community Lettings scheme, although the majority of bookings received at the moment are with the secondary schools. It is clear that if the Council retains booking for those schools,

the systems will need streamlining or the costs to the Council will rise. A number of alternative arrangements are under discussion, which include a consortium approach for schools re charging rates, and/or placing bookings through an automated booking system to reduce costs. This transition will need to be worked through over the next months with the alternative in place by December 2011.

Section 3 – Further Information

- 3.1 Officers will be bringing a report to October Cabinet with recommendations based on the options outlined above.

Section 4 – Financial Implications

- 4.1 The financial implications are being assessed and will be reported in the final report to Cabinet.

Section 5 – Corporate Priorities

- 5.1 The Third Sector Investment Plan will address all corporate priorities:
- Keeping neighbourhoods clean, green and safe.
 - United and involved communities: A Council that listens and leads.
 - Supporting and protecting people who are most in need.
 - Supporting our town centre, our local shopping centres and businesses.

Name: Kanta Hirani	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 8 th September 2011		

Section 6 - Contact Details and Background Papers

Contact: Marianne Locke, Divisional Director Community and Culture,
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Background Papers: None