

## RECORD OF EXECUTIVE DECISION

Monday, 21 June 2010

**Decision No:** (CAB 09/10 3247)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Housing and Local Services
SUBJECT:	Grants to Voluntary Organisations 2010/11
AUTHOR:	Roma Andrews

### THE DECISION

Having considered the Community Strategy (City of Southampton Strategy), particularly where grants are authorised pursuant to S.2 Local Government Act 2000 in pursuance of the Council's priorities:

- (i) To defer the decision to cease the grant award to City Shopmobility to gather more information in relation to the assessment of impact and to award a grant of £40,331 from 1<sup>st</sup> July until 31<sup>st</sup> March 2011 to allow this to happen.
- (ii) In respect of Fairbridge Solent to part fund the request to a maximum of £45,600 subject to demonstration to the Council's satisfaction that the grant is not double funded or being used to meet costs that might be expected to be included in other contracts (subsidisation).
- (iii) In respect of Intech to Fund at 2009/10 level.
- (iv) Subject to recommendations (i) to (iii) above to approve the grant recommendations set out in Appendix 1 to the report.
- (v) To approve an increased allocation of £100,000 of the budget to fund the Community Chest small grants scheme.
- (vi) To delegate authority to the Head of Stronger Communities and Equalities Team following consultation with the Cabinet Member for Housing and Local Services to allocate Community Chest grants in two rounds during the year.
- (vii) To delegate authority to the Executive Director of Neighbourhoods following consultation with the Cabinet Member for Housing and Local Services and the Executive Director of Resources to:
  - determine any outstanding applications for grants for 2010/11 and to authorise grants to applicants subject to remaining within approved budgets
  - develop criteria for the award of three year funding in 2011/12

- do anything necessary to give effect to the review and allocation of grants for 2010/11
- (viii) To approve the use of general fund contingencies up to a maximum of £100,000 in 2010/11 to fund recommendations in this report.

#### OTHER RELEVANT MATTERS CONCERNING THE DECISION:

Following the Overview and Scrutiny Management Committee meeting held on 17th June 2010, and concern expressed at that meeting, all Cabinet Members were provided with information in advance of the Cabinet meeting letters of support and testimonial letters from Voluntary Organisations together with notes of the impact assessment meetings and the integrated impact assessments carried out in relation to affected organisations.

Cabinet received the following impact assessment updates at the meeting:

#### **City Shopmobility**

The purpose of the assessment was to clarify the perceived potential duplication of services between City Shopmobility and the WestQuay scheme.

Officers have met with Southampton Voluntary Service (SVS), City Shopmobility and WestQuay Shopmobility.

The results of these meetings have been to identify some points of difference between these two schemes, which include:

- the boundary covered by the City Shopmobility Scheme is slightly larger
- this boundary includes the Royal South Hants Hospital and even though at times the WQ service may allow scooters/wheelchairs to go there on request they do not offer a pick up service if broken down
- the customer groups are different – City Shopmobility is predominantly local customers who are regular users, WQ mainly for visitors and WQ shoppers. Many of the City Shopmobility customers cannot afford to shop or do not want to shop in WQ.
- Anecdotal evidence (letters from existing users) suggest that they may not use the WQ service if the City service closed, either meaning that they could become more housebound or use other schemes e.g. the scheme in Eastleigh. This potentially has a knock-on effect to local businesses currently used by City Shopmobility customers.
- There are a range of access issues with the WQ service which could prevent some City Shopmobility customers using the service – lifts crowded and not easy to access; difficult to access the car park with its ticket barrier system, negotiating from bus stops to the WQ scheme, high vehicles (including specially adapted vehicles) above 2m not being able to access the WQ car park
- Additional services provided by City Shopmobility e.g. signposting to other services, driver training, extended hire for manual wheelchairs
- Impact of cessation of funding would mean redundancies for the 3 staff
- A number of issues were raised about the ability of the WQ service to cope with the increased demand should the City Shopmobility service close

### **Southampton Voluntary Services (SVS)**

- SVS has externally credited quality awards including the Positive about Disability award.
- In addition to the proposed 10% cut in quarters 3 and 4 of this financial year, SVS has already lost £40K of funding from the council's Safer and Stronger Communities Fund. There are a number of other funding streams that are uncertain for the next financial year, so the Chief Executive has written to the Executive Committee to say that as from next year, the financial stability of the organisation is potentially threatened.
- As SVS manage the Shopmobility service, if funding for this were to cease, they would lose their management fee, which is common practice to charge.
- This loss of funding cannot be met by existing reserves.
- SVS is currently holding 2 vacancies due to uncertainties caused by the grants review.
- Should the proposed 10% cut be approved, then it is difficult for SVS to say exactly at this stage what the impact would be, but there will be an impact on staffing levels, cutting back on the Voluntary Sector Support Team and it could mean cutting out completely the Criminal Record Bureau Check service that they offer. If this were to happen this could increase the risk to the city of a safeguarding incident happening.
- Generally there would be less support to groups they support around issues such as accessing external funding opportunities, smaller groups needing to do more work for themselves e.g. CRB checks and less ability to engage in partnership working with a reduced staff complement.
- If the proposed cut is approved then SVS would seek to negotiate with the council about what is expected to be delivered as part of a reduced grant. The organisation is also concerned that this proposed reduction possibly sets out a 'marker' for a 10% full year reduction in the next grant round.

### **SARC**

- has the Community Legal Services quality mark
- 15 – 20% of their benefits clients are pensioners; being represented doubles the chances of success
- Are currently holding a staff vacancy due to uncertainties about the outcome of the grants review; if this 10% reduction is applied then they would not be able to fill the post
- They currently have a 3 week waiting list for appointments and are trying to meet customer demand by doing more work on the phone, but this is less effective than face to face work
- Their Macmillan funding recently ceased after 4 years
- They have recently used about £45K of their own reserves to refurbish their current building which is leased to them from the council
- There are various options the service will need to consider if the proposed 10% reduction is approved including- recruiting only on a fixed term or part time basis to their current vacancy; scaling back their outreach sessions in Thornhill, Lordshill and St Marys; decreased capacity to join in with city wide campaigns, reducing the number of clients seen.
- The organisation is also concerned that this proposed reduction possibly sets out a 'marker' for a 10% full year reduction in the next grant round and the impact of this could mean reducing operating hours and losing a post.

## **TWICS**

- the grant is a contribution towards core costs and enables TWICS to lever in other sources of funding to the value of 5 times the core grant
- they don't duplicate training provided by other organisations and deliver training in neighbourhood venues, in a style and at a cost that attracts less confident participants
- they are the only provider in Southampton of community development work courses
- they deliver accredited courses as well as more informal learning opportunities
- if the 10% proposed reduction in quarters 3 and 4 of their grant is approved the service will have to consider various options including:
  - offering fewer free or subsidised places
  - not paying for childcare
  - using reserves, but they made a small loss last year so really need to increase their reserves
  - running fewer accredited courses which are the most expensive type of course they run e.g. food hygiene courses which are valued by the community but don't bring in much income
  - potentially reduce their work in the inner city

## **Fairbridge Solent**

Having carried out some further work to assess whether their grant application is to help meet costs to subsidise other contracts, the group has confirmed that 20% of their work does not support Southampton residents.

This means that the maximum grant that can be awarded is £45,600 not the £48,000 proposed in the schedule at Appendix 1.

Further work is still required to assess whether contracts are being run on a full cost recovery basis or not.

## **Intech grant condition**

The recommendation was to fund Intech on condition that they give free entry to the Planetarium. They have written in to appeal against this. The Service Manager of Children's Services as the lead appraiser recommended this condition, has read their letter and is now happy to remove it.

## **Request from Audit**

Verbal clarification at the request from Audit that the budget figures are to the nearest £100 but the individual grants listed are to the nearest £1 and this is why there is a difference between the total in the report and the total in the schedule.

## **REASONS FOR THE DECISION**

1. The voluntary and community sector plays a vital role in Southampton strengthening and representing communities, involving volunteers, bringing resources into the city and delivering millions of pounds worth of council contracted services. The Council supports this work by awarding over £2M in grants to voluntary organisations. As many of these grants contribute to salaries and running costs they are usually awarded in March each year in for

the following financial year.

2. However, as these grants have tended to go to the same organisations and there has been little scope to support new groups and activities, Cabinet approved:
  - A Review of Grants to Voluntary Organisations on 16.3.2009
  - Review recommendations subject to 12 week consultation on 27.7.2009
  - Final post consultation amended recommendations on 23.11.2009
3. As a result of the review recommendations 2009/10 grants were continued into the first quarter of 2010/11 and applications invited from currently funded and new organisations for grants for the remaining 9 months of 2010/11 to enable full consultation to take place.
4. The recommendations are made in this report following appraisal of each of the 77 applications received. As half of these applications are from organisations that have received grants towards salaries and running costs for a number of years it is essential to the continuation and stability of their service that a decision is made now on the level of grant they will receive from 1<sup>st</sup> July 2010.

#### **DETAILS OF ANY ALTERNATIVE OPTIONS**

As applications exceed the budget by over £1M various options have been considered to balance the needs of currently funded applicants and new applicants. The option of

- continuing to fund currently funded organisations and activities at the same level - rejected as it would leave insufficient budget to support new groups and activities,
- reducing all currently funded organisations by the same percentage - rejected as it does not take account of council priorities and individual organisations circumstances and capacity to absorb the reduction.

#### **OTHER RELEVANT MATTERS CONCERNING THE DECISION**

See page 2 onwards.

#### **CONFLICTS OF INTEREST**

None.

**CONFIRMED AS A TRUE RECORD**

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 21<sup>st</sup> June 2010

Decision Maker:  
The Cabinet

Proper Officer:  
Judy Cordell

**SCRUTINY**

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*