

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader's Portfolio Meeting

15 July 2010

AUTHOR/S: Chief Executive / Corporate Manager (Community and Customer Services)

SINGLE JOINT AGREEMENT WITH CAMBRIDGESHIRE COUNCILS FOR VOLUNTARY SERVICE

Purpose

1. To update the Leader with respect to progress on the single joint agreement and seek continued support, in principle, to joining a single joint agreement.

This is not a key decision, however, is of relevance to the Portfolio Holder because it could change existing grant arrangements to the Cambridge Council for Voluntary Service (CCVS).

Recommendations and Reasons

2. That the Leader continues to support the principle of the review, but requests quantitative information against each of the performance measures (including financial information) and clarity regarding the mechanics of the agreement, so the District Council can have a better understanding of the agreement before formally joining it.

Background

3. Cambridgeshire County Council, the five district councils and NHS Cambridgeshire, recognise the role of infrastructure support to the voluntary and community sector in helping to build the capacity and role of the sector in and across the county.
4. Historically there have been four district based CVSs (the Cambridge CVS covers Cambridge and South Cambridgeshire) covering the county. The Fenland CVS withdrew from full service delivery in March 2010 due to funding difficulties following the end of major Lottery funding.
5. Levels of funding and service arrangements vary considerably across the four CVSs. For historical reasons, the County Council and NHS do not fund each area equitably and the district councils grant fund to very different levels.
6. In 2009/10 the total amount of local authority & NHS funding to the CVSs was approximately £200,000, of which the combined contribution from the County Council and NHS Cambridgeshire was approximately £85,000.
7. On 11 September 2008 The Leader considered a report outlining the proposal to develop a Joint Strategy for Third Sector infrastructure support and development, in partnership with Cambridgeshire Country Council, District Councils and Cambridgeshire NHS. The Leader supported the review in principle, but stated that he could not make any firm commitments as to its possible financial contributions to the scheme in the near future. A review group was set up in late 2008 to address the drivers set out below.

- **Modernisation of VCS Infrastructure.** Nationally there is a move towards the rationalisation of resource allocation to infrastructure bodies, recognising the need to reduce duplication whilst maintaining the delivery of local services based on a clear service offer.
- **Best Value.** In line with Compact there are related concerns to improve funding certainty and effectiveness and reduce the bureaucratic burden facing voluntary organisations (in particular those supported by multiple public sector partners).
- **The Partnership Environment.** Nationally and locally, there is a need to ensure that local authorities work in partnership to create an environment for a thriving third sector (NI 007 is a priority within the Cambridgeshire Local Area Agreement) and that services are designed, commissioned and delivered in such a way as to maximise the potential to achieve more effective partnership working.
- **Sustainability.** Locally we are aware of the need to address issues of CVS sustainability in an increasingly challenging financial context for local authorities. National advice to voluntary organisations facing the impacts of the recession includes the consideration of new and more collaborative forms of organisation¹.

Considerations

8. An initial draft options paper, which took account of the local and national strategic drivers, was produced by the review group in April 2009. By the end of July 2009 all the local authorities and NHS had reported their preliminary officer views on the paper which was generally welcomed, and a consensus had emerged in favour of the principle of a joint solution which could lead to a 'joint commissioning' approach going forward.
9. On this basis a report was submitted to the Stronger Officer Group in September 2009 recommending that the next step in the process should be to begin discussions with the four CVSs. As this timing coincided with the major budget reviews within the local authorities, district officers in particular asked for some additional time to clarify budget positions and following on from this the review group met with the CVSs on the 19th January 2010.
10. At the meeting with CVSs in January 2010 there was a broad welcome for the review from the CVSs and a recognition that the work that the CVSs were jointly undertaking, under the name CVS5 in acknowledgement of the five district areas that they cover, to harmonise their support could fit well with a joint approach from the funders.
11. A service level specification has been drafted and agreed with CVS5 with regard to a county level specification covering the funding provided by the County Council and NHS Cambridgeshire (who have agreed to pool their budgets). This specification is provided at Appendix A and is being worked up with further detail regarding the specific performance reporting requirements, for example.
12. The joint agreement between the County Council, NHS and the CVS5 will provide the following improved context:
 - A firm commitment to three years funding from two of the principal funders (including enhanced NHS funding) to the CVSs in Cambridgeshire, providing a secure platform on which to develop or lever-in other funding potentials.

¹ <http://www.recessionsupport.org.uk/main/index.php>

- A clearer description of the countywide service level to be delivered.
 - Joined-up working between the funders and CVSs that will mean greater consistency and certainty.
 - Reduced transaction costs through one single agreement and specification.
 - A reduced bureaucratic burden for the funders and CVSs alike with only one set of monitoring administration required.
 - More freedom and flexibility for the CVSs within the overall funding provided to organise delivery to ensure the most effective outcomes.
 - Support for a more joined up CVS context with the organisations sharing learning, best practice, better aligned delivery and other potential economies of scale.
 - Stronger fit with policy drivers (as at paragraph 8 above).
13. District councils have been invited to join the agreement based on their own local terms (at Schedule B of the agreement).
14. Joining the agreement would provide additional benefits in terms of the improvements set out in paragraph 12, with fewer agreements and less monitoring requirements in place, and increased transparency about what each partner is funding. However, it should be noted that the funding, in going to CVS5 for allocation, would mean that C CVS, in its current form, would not automatically gain the South Cambs funding if they agreed another CVS is more appropriate to cover all or part of the district.
15. The County Council funding agreements to all CVSs end in March 2011 and with or without a joint process the County Council will need to reach conclusions about the future funding prior to renewal in April 2011. In order to provide a more equitable service across the county it is likely that, with or without this agreement, if the CVSs choose to remain as four separate entities, some areas (Cambridge/South Cambs and Huntingdonshire) will receive a reduced level of funding so that others gain.

Options

16. Three options have been considered:
- (a) To continue to support the principle of the review and join the agreement.
 - (b) To continue to support the principle of the review, but request quantitative information against each of the performance measures (including financial information) and clarity regarding the mechanics of the agreement, so the District Council can have a better understanding of the agreement before formally joining it.
 - (c) To withdraw from the review and retain existing arrangements.

Implications

17. Financial	There would be no additional cost to the District Council in joining the agreement (any grant would continue to be decided by the District Council). The District Council would need to ensure that the County Council, NHS or other district council, if acting as 'bank' prior to release of funding to CVS5 for allocation, does not charge an administration fee. The District Council would continue to include a clause to state the agreement is subject to available funding year on year.
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Legal	Notice would need to be given to CCVS with regard to the existing three-year funding agreement. The new agreement would not be aligned to the current SCDC grant process, however, would need to be considered at the same time.
Staffing	There are no staffing implications. The Partnerships Officer would continue to manage the grants process, including monitoring and review of the agreement.
Risk Management	The main risk is that the amount of CVS support in South Cambs reduces as part of joining the agreement, however, this is likely to be the case with or without a joint agreement due to the historical inequities in the funding from countywide organisations. Closer working within CVS5 should help to address some of the balance through less duplication.
Equal Opportunities	All grant applicants are required to provide an equal opportunities policy.
Climate Change	All grant applicants are required to provide a policy for the protection of the environment.

Consultations

18. The County Council, NHS Cambridgeshire and five district councils have all been involved in the review since late 2008. At this time it is believed that the County Council and NHS Cambridgeshire are in support of the drafted agreement and the five district councils are considering if they will join it at Schedule 2.
19. The four CVSs have been consulted and involved in the process since January 2010. There is a broad welcome for the review from the CVSs and a recognition that the work that the CVSs are jointly undertaking to harmonise their support could fit well with a joint approach from the funders.

Effect on Strategic Aims

20. The review and joint agreement support the strategic aims through providing a more transparent and joined up approach to voluntary and community sector infrastructure support in the district.

Conclusions / Summary

21. Progress towards a single agreement is being made, however, further information is required in order to fully assess the implications for South Cambridgeshire joining the agreement. Officers remain supportive of the review and its principles.

Background Papers: the following background papers were used in the preparation of this report:

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