

Report to: **Overview & Scrutiny Committee**
Date: **26 June 2018**
Title: **Partnership Funding Task & Finish Group**
Portfolio Area: **Strategy and Commissioning**
Wards Affected: **All**
Relevant Scrutiny Committee: N/A

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: Any recommendations will be presented in the first instance to the Hub Committee meeting on 17 July 2018 for further consideration.

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Recommendations:

That the Committee RECOMMEND to the Hub Committee to RECOMMEND to Council to:

- 1. continue to fund partnerships that alleviate the statutory work that would otherwise have to be done by the Council;**
- 2. increase the funding to partnerships that undertake statutory work by applying an inflationary uplift in line with the published Consumer Price Index figures (CPI);**
- 3. reduce funding to nil for other organisations over a 3-year period; and**
- 4. encourage all organisations to seek alternative funding by drawing their attention to other potential income streams that are funded by WDBC.**

1. Executive summary

- 1.1 The Overview and Scrutiny Committee appointed a Task and Finish Group to review Discretionary Partnership Funding. This report details the methodology, resources used and recommendations.
- 1.2 Recommendations have been arrived at in response to various Member events including the Corporate Strategy Workshops; a survey of Members, The MTFS Workshop and the opinion of the Financial Stability Working Group.
- 1.3 Summary of the results of the Members' Survey are:
 - The majority of Members support funding in line with the term (i.e. 5 years) of the Medium Term Financial Strategy;
 - Over 96% supported CA funding i.e. statutory;
 - Majority supported borough wide initiatives;
 - Majority said no to funding partners that cover just part of the Borough;
 - Majority support to increase statutory funding in line with inflation;
 - Majority said yes to reducing discretionary partnership funding; and
 - Reducing non-statutory provision to nil within 3 years or less received the most support.
- 1.4 Recommendations from the Committee will be presented to the Hub Committee on 17 July 2018 and then Full Council on 24 July 2018.

2. Background

- 2.1 In June 2017 a Task & Finish Group was put together to conduct a Discretionary Grant Funding Review regarding Partnership Funding with members drawn from O&S. The objectives were:
 - to review existing discretionary partnership funding;
 - to take into account value for money;
 - to ensure grants were aligned with council priorities; and
 - to consider whether members wished to scale back funding or continue with funding provision.
- 2.2 The initial recommendations for the 2018/19 Budget were based on an indicative reduction in partnership funding levels of £25,000 which was used in the Medium Term Financial Strategy (report to the Hub Committee meeting on 28 November 2017) for modelling purposes. The recommendations of the Task and Finish Group (i.e. to reduce funding levels by £28,000) were considered by the Overview and Scrutiny Committee at its meeting on 16 January 2018; the Hub Committee at its meeting on 6 February 2018; and the Full Council meeting on 20 February 2018, with the final decision resulting in the partnership funding levels being reduced by £15,500.

Funding Summary as agreed by Members on 20 February 2018		
Partnership	2017/18 Allocation	2018/19 Allocation
BIP (Subject to market testing)	£15,000	£8,000
Citizens Advice	£32,900	£32,900
CVS	£8,500	£8,500
Devon Rail Partnership	£2,500	£0
SW Rotary Youth Games	£3,000	£3,000
HoTSW LEP	£5,000	£5,000
Junior Life Skills	£2,160	£2,160
OCRA	£2,000	£2,000
Okehampton Community Transport	£10,315	£10,315
South West Museums	£2,000	£0
Tamar Estuaries Consultative Forum	£4,500	£4,500
Tamar Valley AONB	£8,835	£8,835
Tavistock Ring & Ride	£10,315	£10,315
Villages in Action (Carn 2 Cove)	£4,000	£0
World Heritage Site	£4,000	£4,000
Young Devon	£7,500	£7,500
	£122,525	£107,025

- 2.3 It was agreed that, in fairness to partners, the Task & Finish Group should meet promptly in the following financial year to recommend a settlement (partnership contribution) for 2019/20 which should be communicated to partners as early as possible in order for them to plan accordingly.

3. **Outcomes/outputs**

- 3.1 The Corporate Strategy recognises the challenges faced by the Council – namely that of the withdrawal of core central government funding and setting a balanced budget without cutting statutory services while acknowledging that it costs more to deliver services in rural areas. The Corporate Strategy encompasses themes for communities and wellbeing, however, there are opportunities for these themes to be delivered by organisations accessing the Lotto; Crowdfunding; Communities Together Fund and Village Hall Grants.
- 3.2 This was echoed in the MTFs Workshop that was held on 1st May 2018 where it was clear that no budget line could be held to be sacrosanct. The Council had previously approved work to be done to deliver savings and increase income with Partnership Funding included on the basis that

beneficiaries will have the opportunity to get involved with funding streams referred to above. It was recognised that early decisions need to be made to feed into the overall 2019/20 budget including bringing strategy lines together.

- 3.3 The Financial Stability Working Group did not set a target for savings, however, their views were that a potential solution could be to reduce funding and ask partnership groups to bid for monies on an annual basis along the lines of other grant applications (using funds from the new SeaMoor Lotto or via the proposed Crowdfunder platform) so that groups do not automatically receive funding.
- 3.4 A Members' Survey was conducted throughout May 2018 with 26 responses out of a possible 31 (86%). The outcome is as follows:-

Q1. Do you think we should agree partnership funding for the next 5 years i.e. in line with the MTFS?

R. 20 members (77%) Yes

Q2. Do you think we should fund partnerships that alleviate the statutory work that would otherwise have to be done by the Council? e.g. Citizens Advice

R. 25 members (96%) Yes

Q3. Do you think we should fund partnerships that deliver outcomes that are "nice to haves" and not statutory; but deliver benefits Borough wide?

R. 17 members (65%) Yes.

Q4. Do you think we should fund partnerships that deliver outcomes that are "nice to haves" and not statutory; but deliver benefits to only parts of the Borough?

R. 12 members (46.15%) No. (8 members (30%) did not know)

Q5. Do you think that the partnerships that undertake statutory work for us should receive an inflationary increase to their funding?

R. 15 members (58%) Yes

Q6. Do you think that the partnerships we currently fund but are "nice to haves" should have a reduction to their funding?

R. 19 members (73%) Yes

Q7. If you have stated that you think the "nice to have" partnerships should have a reduction in their funding, how much do you think the reduction should be each year?

R. 18 members (69%) agreed funding should be reduced with 23% of the 18 respondents supporting reduction to nil within 3 years.

- 3.5 These results made it very clear that the majority of those who took part supported a 5-year funding plan with organisations that benefit the whole Borough taking priority over those who only deliver benefits to some areas. The majority expressed a wish to apply an inflationary increase to any organisation that undertook statutory work and to reduce funding to the

partners who do not. With regard to the timeframe and percentage of reduction, there were mixed views, however, the majority of those who expressed an opinion supported a reduction over a 3-year period.

3.6 It is recognised that the work of the Citizens Advice directly alleviates the statutory work that would otherwise have to be carried out by the Council and an inflationary increase in line with CPI is proposed in the table below.

3.7 It is not anticipated that the amount allocated to HoTSW LEP; Tamar Estuaries Consultative Forum; Tamar Valley AONB and the World Heritage Site would change as the funding is fixed.

3.8 The table below shows proposed Discretionary Partnership Funding over the next 3 years. Years 4 and 5 would see no reductions, assuming no change in provision to the organisations listed in the previous paragraph. The total amount of grant funding payable would increase in years 4 and 5 if Citizens Advice is awarded an annual inflationary uplift.

Proposed Funding Summary						
Partnership	Current Allocation	Proposed 2019/20	Proposed 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24
Citizens Advice - inflationary increase in line with CPI *	£32,900	£33,722	£34,565	£35,429	£36,315	£37,223
CVS	£8,500	£5,100	£2,550	£0	£0	£0
SW Rotary Youth Games	£3,000	£2,000	£1,000	£0	£0	£0
HotSW LEP	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000
Junior Life Skills	£2,160	£1,440	£720	£0	£0	£0
OCRA	£2,000	£1,333	£666	£0	£0	£0
Okehampton Community Transport	£10,315	£6,533	£3,266	£0	£0	£0
Tamar Estuaries Consultative Forum	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500
Tamar Valley AONB	£8,835	£8,835	£8,835	£8,835	£8,835	£8,835
Tavistock Ring & Ride	£10,315	£6,533	£3,266	£0	£0	£0
World Heritage Site	£4,000	£4,000	£4,000	£4,000	£4,000	£4,000
Young Devon	£3,750	£2,500	£1,250	£0	£0	£0
	£95,275	£81,496	£69,618	£57,764	£58,650	£59,558

*NB March 2018 CPI of 2.5% applied for demonstration purposes. Actual uplift to be determined in line with published figures year on year.

4. Options available and consideration of risk

- 4.1 The Task & Finish Group was re-convened in March 2018 and was enlarged to include the Deputy Leader as Partnership Arrangements sat within her Portfolio together with the Lead Member for Health & Wellbeing. Members were Cllr Yelland; Cllr Cloke; Cllr Moyse; Cllr Moody and Cllr Samuel.
- 4.2 Letters were written to existing partners at the end of April, enclosing grant monies for 2018/19 and advising them that the Council was not in a position to guarantee funding in future years. The recipients were encouraged to be pro-active in seeking alternative sources of funding and were reminded they would have the opportunity to sign up to the SeaMoor Lotto; take part in the emerging Crowdfunding initiative and apply to the Communities Together Fund (which replaced TAP Funding) through their local Links Committees.
- 4.3 The following Member events took place which have informed the recommendations made by the T&F Group:
 - The Corporate Strategy Workshops held on 27 February and 13 March with a new 5-year Corporate Strategy being approved by Full Council on 20 May 2018.
 - A Survey that was circulated to all Members in April 2018
 - The Medium Term Financial Strategy Member Workshop held on 1 May 2018
 - The view of the Financial Stability Working Group who met on 15 May 2018 and their subsequent report to the Hub Committee on 5 June 2018.
- 4.4 Consideration was given to inviting representatives from each organisation to meet with the T&F Group to discuss their funding needs. It was agreed that this would not be fair to the beneficiaries due to the fact that any recommendations arising would have no bearing on the importance and value of the work of the groups in question.
- 4.5 Each organisation was looked at to see if they continued to fall within the remit of discretionary partnership funding. The organisations listed below were not considered for the following reasons:
 - BIP This is a contract with no discretionary top up – so removed from list
 - Devon & Cornwall Rail Partnership -Partnership still in operation, however, WDBC ceased making financial contributions several years ago. Removed from list.
 - Tamar Valley AONB- There is a statutory duty to fund or make alternative provision to the equivalent value. The amount is fixed.
 - Tamar Estuaries Consultative Forum-There is a statutory duty to fund or make alternative provision to the equivalent value. The amount is fixed.

- World Heritage Status - Funding required to protect status.
- HoSWLEP - Previously agreed to maintain funding at £5,000 for the foreseeable future.
- South West Museums - Council approved cessation of funding 20 February 2018.
- Villages in Action (Carn 2 Cove) Council approved cessation of funding 20 February 2018.

Funding for Young Devon was approved at £7,500 for 2018/19, however, the contribution was halved for this year as they are no longer delivering on Young Carers due to loss of DCC contract.

5. **Proposed Way Forward**

5.1. It is recommended that the Committee recommend to the Council (via the Hub Committee) to:

1. continue to fund partnerships that alleviate the statutory work that would otherwise have to be done by the Council;
2. increase the funding to partnerships that undertake statutory work by applying an inflationary uplift in line with the published Consumer Price Index figures (CPI);
3. reduce funding to nil for other organisations over a 3-year period; and
4. encourage all organisations to seek alternative funding by drawing their attention to other potential income streams that are funded by WDBC.

6. **Implications**

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Localism Act 2011 (Section 1 – Powers of General Competence). Those partnerships required by statute have their own specific legislative requirements;</p> <p>O&S Partnerships Task and Finish Group Terms of Reference included need to address legal basis for partnerships generally and specific agreements for individual partnerships.</p> <p>Updated partnership agreements will require individual legal input.</p>
Financial		The proposed future Partnership funding levels are set out in the table in section 3.8.
Risk		A failure to review partnership principles, partnership arrangements and partnership opportunities could lead to:

		<ul style="list-style-type: none"> • Ineffective use of council funds; • Poor quality service to those in need of support; • Inequality of delivery across the council area; and • Knock on resource pressures direct to the council. <p>These risks are mitigated by detailed reviews akin to the piece of work undertaken by this Task and Finish Group.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		The services provided by partnerships promote equal opportunities and help prevent discrimination in our communities.
Safeguarding		Partners are required to operate to adopted Child and Vulnerable Adult Safeguarding Policies where appropriate.
Community Safety, Crime and Disorder		Partnerships should provide advice and volunteering opportunities which reduce the potential for anti-social behaviour.
Health, Safety and Wellbeing		Partnerships include consideration of health, safety and wellbeing implications where appropriate
Other implications		N/A

Supporting Information

Appendices:

Appendix A – Proposed Allocations 2019/20 – 2023/24

Background Papers:

Budget Proposals report to Council meeting on 20 February 2018; and
The minutes arising from the Council meeting on 20 February 2018.