

Report to: **Overview and Scrutiny Panel**
Date: **6 September 2018**
Title: **Community Task & Finish Group Findings**
Portfolio Area: **Partnership Arrangements**
Wards Affected: **All Wards**
Relevant Scrutiny Committee: **Overview and Scrutiny Panel**

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

Date next steps can be taken:
(e.g. referral on of recommendation or implementation of substantive decision) **Executive and Council**

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RECOMMENDATION

That the Panel RECOMMENDS to the Executive that it RECOMMENDS to Council to endorse the proposed funding reductions to the South Devon CVS and South Devon AONB as detailed in paragraph 5 of this report.

1. Executive summary

- 1.1 This report is presented by the Chairman of the Overview and Scrutiny Panel and details the work of the Community Funding Task and Finish Group.
- 1.2 The work of the Community Task & Finish Group has identified a potential £32,316 saving for 2019/20 and beyond.

2. Background

- 2.1 O&S Scrutiny Panel resolved on the 28 June 2018 to establish a Task and Finish Group comprising of Cllrs Baldry, Hicks, Hopwood and Saltern to review community funding.
- 2.2 The Task and Finish Group is the third of its kind to have been established in recent years to investigate external partnership funding. The role of this Task and Finish Group was to consider the merits and relevance of the work undertaken by funding recipients

in line with the Council's newly adopted strategic themes and emerging Medium Term Financial Strategy.

3 Outcomes/outputs

- 3.1 Task and Finish Group Members met on three occasions throughout July 2018.
- 3.2 The first meeting of the Task and Finish Group on the 2 July 2018 considered those organisations in scope of review, namely:
 - a. South Devon Area of Outstanding Natural Beauty (AONB)
 - b. South Hams Community Volunteer Service (CVS)
 - c. South Hams Citizens Advice
 - d. Ivybridge Ring & Ride
 - e. Totnes and Dartmouth Ring & Ride (Operated by Newton Abbot Community Transport Association)
 - f. South West Rotary Youth Games
- 3.3 The Task and Finish Group also agreed to assess each organisation on the following:
 - a. Funding needs post 2019
 - b. Current financial status and income streams including other funding partners
 - c. Long term sustainability plans
 - d. Core service offering and how it contributes to Council priorities/statutory duties
- 3.4 To make these assessments information was obtained from each organisation. Information supplied to the Task & Finish Group by the Citizens Advice, Ring & Rides and South West Rotary Youth Games was viewed as satisfactory by Task & Finish Group Members, with each organisation demonstrating financial need, value for money and clear alignment to the Council's strategic themes.
- 3.5 The Task and Finish Group felt further information and presentations were needed from both the South Devon AONB and CVS.
- 3.6 The second meeting of the Task and Finish Group on the 10 July 2018 included a presentation from the South Devon AONB Manager. Key points from his presentation are as follows:
 - a. AONB staffing, 3.4 FTE core funded posts and 2 FTE project posts.
 - b. South Hams District Council give £20,749 core funding and £9,700 project funding to the AONB.
 - c. South Hams District Council would be liable for AONB staff redundancy costs if it withdrew core funding.

- d. AONB funding arrangements are to be reviewed by DEFRA before 2020 with talk of bringing AONB status in line with National Parks and possibly funding levels too.
- e. DEFRA currently provide 75% of core funding to AONBs.
- f. Of the remaining 25% funding there is disparity between South Hams District Council and Devon County Council. SHDC pay slightly more, as opposed to 12.5% of core funding each.
- g. Approximately two thirds of all AONBs are hosted by county, not district councils.
- h. In addition to receiving core and project funding from DEFRA and South Hams District Council the AONB receives in excess of £105,000 project funding from an array of partners.
- i. Whilst the AONB was not subjected to T18, assurance has been given that every attempt has been made to reduce core operating costs including outsourcing IT

3.7 The third meeting of the Task & Finish Group on the 23 July 2018 included a presentation by the South Devon CVS Manager. Key points from her presentation are as follows:

- a. CVS has tailored its outgoings to cope with the £20,000 reduction in funding from the Council by reducing office and staffing costs with minimum impact on service delivery.
- b. In 2017 South Hams District Council gave twice as much core funding to the CVS compared to Devon County Council.
- c. In 2018 the core funding contributions from the District and County Council are pretty much on a par.
- d. CVSs in other parts of the county receive similar levels of funding from the county council but significantly less in core funding from their district council.
- e. CVS continues to assist over 500 community groups by providing up to 3 hours of advice. However, only 40 community groups pay for this advice by making a £20 payment.
- f. CVS receive donations from approximately 6 South Hams based Parish Councils with 53 Town/Parish councils choosing not to contribute despite being invited to do so.
- g. CVS will receive over £16,000 in project funding during 2018 from a range of mental health and social prescribing providers.
- h. Projected CVS spend for 2018 is £5,000 more than income.
- i. CVS has financial reserves to cover a 2018 overspend.
- j. The CVS has sufficient monies in reserves to cover 12 months operating costs and staff redundancies.

4 Options available and consideration of risk

- 4.1 Continue funding all organisations at the current level for 2019 and beyond. This is considered a high risk approach and irresponsible because organisations might not be providing value for money or services aligned to the Council's agreed strategic themes.
- 4.2 Note the work carried out by the Community Task and Finish Group and consider the recommendations detailed in section 5 of the report. This is considered low risk and a pragmatic approach to

ensure services provided by external organisations align with the Council's strategic themes and offer value for money, thus helping to underpin a sound Medium Term Financial Strategy.

5. Proposed Way Forward

- 5.1 The Task and Finish Group recommends funding contributions remain the same for 2019 and throughout the term of the Medium Term Financial Strategy for the following organisations:
- a. South Hams Citizens Advice
 - b. Ivybridge Ring & Ride
 - c. Totnes and Dartmouth Ring & Ride
 - d. South West Rotary Youth Games
- 5.2 The Task and Finish Group recommends a £22,616 cut in funding to the South Devon CVS in 2019, bringing the Council's contribution to the CVS to £0 as of 1 April 2019. The rationale being as follows:
- a. The CVS has failed to increase income from users of their services despite being advised by Task and Finish Groups over the years to do so.
 - b. The CVS has failed to partner with neighbouring CVSs to reduce operating costs; again, despite being advised to do so.
 - c. Income generated from users is woefully low and dropping; which therefore begs the question do users value CVS services?
 - d. An understanding of what the CVS does is at best vague. Several attempts have been made to gain a clear understanding of how the CVS adds value, yet the Task and Finish Group have struggled to align the CVS's work to any of the Council's corporate themes. It is felt the work they undertake sits more firmly with the social care sector and not that of the Council.
 - e. The CVS has sufficient reserves in place to bear the impact of a reduction in South Hams District Council funding.
- 5.3 The Task and Finish Group recommends a £9,700 cut in *project funding* to the South Devon AONB for 2019/20 whilst continuing to maintain *core funding* up until 2020. The rationale for the recommendation is as follows:
- a. The Task and Finish Group recognises the importance of the core funding provided to the AONB and understands that if it were to withdraw core funding it would be liable for staff redundancies.
 - b. The AONB enjoys a high level of project funding from a range of partners and whilst a £9,700 reduction in project funding from the Council would be disappointing for the AONB it would still be able to operate.
 - c. By reducing project funding in 2019 (ahead of the DEFRA funding review in 2020) it sows the seeds for the Council to negotiate fairer and more appropriate funding levels post 2020.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Overview & Scrutiny Panel has a responsibility to assist the Council in identifying areas for improvement and to make any necessary recommendations to the Executive and Council.
Financial	Y	The work of the Community Task & Finish Group has identified a potential £32,316 saving for 2019/20 and beyond.
Risk	Y	A failure to review Community Funding levels and achievements could lead to: Lack of coherent policy and delivery Reputational harm Ineffective use of resources Poor quality service These risks are mitigated by: The recommendations outlined in this report
Comprehensive Impact Assessment Implications		
Equality and Diversity		None – no policy or service change is proposed in this report.
Safeguarding		None – no policy or service change is proposed in this report.
Community Safety, Crime and Disorder		None – no policy or service change is proposed in this report.
Health, Safety and Wellbeing		None – no policy or service change is proposed in this report.
Other implications		-