

SUMMARY OF CONSULTATION ON VOLUNTARY SECTOR FUNDING STRATEGY

A written consultation was sent to all groups on the RCVS mailing list, to local charitable trusts and to relevant council officers. 21 responses were received to the full document.

A consultation event was held on 8 May, attended by 58 voluntary sector representatives. Attendees participated in round table discussions based on the consultation and the results were collated.

This summary brings together all the responses received, from the written consultation as well as the consultation event

1. Objectives of Funding

1.1. Respondents were asked:

Do you think these are the right objectives?

16 of the 21 respondents said they were.
No respondents disagreed with the objectives.

The following issues were raised in respect of the objectives:

- 3 respondents identified the need for voluntary organisations to be closely involved in identifying need, which would then be used to agree priorities for funding.
- 1 organisation felt that the objectives should be broadened to include heritage and arts. (This will be addressed in the Funding Priorities paper.)
- 2 organisations identified the need for longer term funding to be related to a rolling three year programme. (This will be addressed in the Funding Strategy paper.)
- 2 organisations identified the need for the council to work with partners to identify and access external funding together.
- 1 organisation raised the importance of preventative work and the tension between this and the increasing focus on need driven by funding constraints.

1.2. Respondents were asked

Are there any other objectives that should be achieved through funding the voluntary and community sector

The following items were raised and will be addressed in the Funding Strategy paper:

- Targets set need to support achievement of broader outcomes
- Co-ordination of services to prevent duplication
- More user/carer involvement in identifying needs and monitoring and improving services
- Need to retain independence and flexibility of sector
- Opportunity to expand funding

- RCVS should not administer the grants programme, but concentrate on being an advocate and support for the sector.
- Increase working together by organisations
- Ensure value for money
- Need to support and sustain growth of sector

The following items were raised and will be addressed in the Funding Priorities paper:

- Heritage and arts should be given more prominence

2. Commissioning

2.1. Respondents were asked:

What training and other help do you need to understand and to participate in the commissioning cycle?

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| • Commissioning/preparing bids | 4 |
| • Outcomes | 4 |
| • Contract preparation/procurement | 5 |
| • Full cost recovery/unit costs/accounting | 4 |
| • Use of volunteers | 1 |
| • Management of change | 2 |
| • In fundraising | 1 |
| • Training for statutory sector on VCS | 1 |
| • Training for trustees | 1 |
| • Quality marks | 1 |
| • For new charities | 1 |
| • Social enterprises | 1 |
| • Types of charitable bodies | 1 |
| • Impact of new initiatives e.g. self directed care | |
| • Networking opportunities | |
| • Diversity | |

Other responses were:

- retaining independence
- consultation, representation and influence in the commissioning cycle
- need time to plan.
- wanted legally robust commissioning process with appropriately trained commissioners to manage it
- keen on the three year cycle and wanted even to consider extending it to a five year cycle in line with some of the longer term LBRUT plans e.g. Community Plan
- Part of the problem is that are too many priorities and hard choices need to be made- hence the importance of trained commissioners to make the right decisions to impact on local need.

- Recognition of the charity sectors independence was important- did not want to be corralled into being an extension of LBRUT. Want to work with them (and receive funding from them!) but not to be beholden.
- Lots of talk about funding core, what about services.
Splitting up of funding that's going into one organisation makes it very difficult to report back on.
- Want monitoring process enhanced
- Concern about Cross border/ competition
- Unit costs- larger groups lower
- Important to get compact
- Consortia bid- support for consortia- RCVS support role. Could be problems re different agendas of different groups.
- Joint training with council officers.
- Groups that want to remain small and deliver what they do set up to do.
- Streamlining

These responses will be taken into account by the council and RCVS in designing a programme of support.

3. Outcome Funding

3.1. Respondents were asked:

Do you understand the concept of Full Cost Recovery?

All 21 respondents said that they did.
2 requested practical help in implementation.

3.2. Respondents were asked:

Do you apply it to your funding applications/ adopt the principals when agreeing service level agreements?

13 replied Yes.
3 replied No
4 felt this was not applicable to them.

The following issues were raised about full cost recovery:

- 5 organisations said that although they applied the principle, the organisations did not always receive the full cost of the bid in the award.
- Funders needed to understand the principle and the impact on organisations, who often had to fund raise to cover their core costs.
- This can be difficult to achieve as core costs appear high in relation to direct delivery costs

These responses will be considered in developing the Funding Strategy.

4. The Compact

4.1. Respondents were asked:

What other areas should be included in the review of the Compact? Do you think these are the right objectives?

The following suggestions were made:

- Late receipt of payments
- Use a different name for the Compact
- It should also cover organisations not in receipt of a grant.
- Ensure wider dissemination/implementation.
- Review the role of KSOs.
- It should acknowledge that not all organisations operate across the whole borough.
- Physical resources such as accommodation are key to efficient operation.
- Include feedback from council/PCT on VCS.
- Funding should reflect need, not historical factors.
- Include right to campaign-independence of sector.
- Important in relation to funding arrangements and the support of longer term development of the sector.

4.2. Attendees were asked:

What role do you think the Compact could play in ensuring transparency of funding arrangements?

- Compact statutory body has responsibility for setting terms & conditions in agreement.
- Compact agreement - needs to be communicated widely via CVS, media, libraries, Arcadia, civic centre.
- Compact – renamed to a “Community Partnership Agreement” – needs to be a simpler agreement currently unwieldy document needs to be no more than 2 A5 pages long, sign posting to info.
- equal representation of vol sector on grants panel. The table felt this wasn’t so currently
- Compact equal relationship
- Compact- meaningless document. Framework has to come before the compact to make it an effective document.

These responses will be taken into account in the review of the Compact, which is currently being undertaken and due to be completed in September 2007.

5. Small Grants

5.1. Respondents were asked:

What do you think about the idea of a small grants programme and why?

20 replies were supportive

1 was not supportive.

The following reasons were given in support:

- Good for small charities who are volunteer led as it encourages them to be proactive
- Would encourage new initiatives
- Ensures smaller groups not swamped by larger organisations
- Simple process reduces costs
- Fairer and clearer access to funding for small groups.
- Opens up equal access for all.
- Council can respond to needs of small community based projects.

The following views were also expressed:

- 3 said it should be a rolling programme
- 3 said there should be no set priorities
- It should complement the main grants programme. priorities should be led by the Community Plan
- Fast decision making
- Proportionate monitoring.

5.2. Attendees were asked:

What issues should be taken into account in designing a small grants programme?

- Will it be overall across the Borough? In principle other pockets to be included? E.g. Civic Pride only at present
- Will it be start up funding? Will grass roots funding be encouraged. Encourage small groups to apply. Big organisations could have a one off project? One off basis.
- Simple quick turn around. Will it cover new priorities? Thames Community Foundation collaboration. Not too many policies insisted on.
- Flexibility of programme geared to applicant / sector
- Either 100% of project or match funded.
- Accessible to small groups – rolling programme (very important)
- Use for one off events
- Creative new developments
- Can be helpful in sustaining small organisations where a number of problems arise such as an emergency - quick process.
- Small grants programme very positive idea- should be responsive to emerging need

- Multiple applications per year?
- Project focused only?
- Could have a slightly different focus e.g. a theme encouraged application.

5.3. Respondents and attendees were asked:

What should be the upper limit of grants distributed under a small grants programme and why?

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|-------------------|----|
| Nil | 1 |
| £500 | 1 |
| £1000 | 1 |
| £1500 | 1 |
| £5000 | 13 |
| £7500 | 1 |
| £10,000 | 4 |
| £200,000 in total | 1 |

5.4. Respondents were asked:

What do you think is the best way of making decisions about small grants?

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| Decision making by Council Members | 1 |
| Delegating decision making to council officers | 1 |
| Having a panel composed of representatives of a number of partner organisations, but chaired by a council Member or officer, in whom decision making will be vested | 13 |
| Establishing a Community Chest, by awarding a single lump sum grant to a charitable body to distribute. | 8 |

In addition:

- 1 said that decision making by councillors would benefit from co-opted members representing the voluntary, statutory and business sector.
- 1 said there should be cross party representation of councillors on the panel.
- 1 suggested rotating members on the panel
- Simple process – Panel should have power to co-opt those with expertise.
- Assessment process before a panel e.g. grant officers well trained and fully transparent
- Voluntary sector representation important on panel. Conflict of interest will be inherent and need to be resolved.
- If to be a quick process should involve small number of people
- simple and short application
- 2 said the community chest should be administered by RCVS
- Grants Direct should continue to work more closely with council.
- 4 said an independent charitable trust should administer the community chest in order to remove conflicts of interest, with input from the council and PCT and an advocacy role for RCVS.
- A community chest might add another level – how well are these managed locally?
- 1 said a community chest is open and transparent.

5.5. Respondents were asked:

Should there be a single panel or several panels?

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| A single Panel for all small grants | 16 |
| A panel for each sector | 3 |
| A panel for each geographical area | nil |
| A panel for each Community Plan theme | 1 |

In addition the following comments were made:

- 7 suggested the panel could call on expertise as and when needed.
- A single panel is more effective and cheaper.
- If the programme were managed by theme or geographical area, this would allow a single panel to call on expertise as necessary.
- A panel for each sector would ensure in depth knowledge and expertise.
- A panel for each Community Plan theme would provide consistency and expertise.

These responses will be taken into account in developing the Funding Strategy.

6. Main Grants Programme

6.1. Respondents were asked:

Of the options for decision making listed above, which do you think is the best option and why?

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| Single Panel or Board | 19 |
| A panel for each partnership | 2 |
| A panel of cabinet members | 1 |
| A departmental panel | nil |
| Don't know | 1 |

In addition the following comments were made:

- The Panel would need to meet more than twice a year.
- Should have 2 local authority members.
- 2 suggested a larger membership, (12-14).
- 3 additional vol sector positions rotated.
- Could include a lay member, borough resident.
- Use a “bank” of members with various expertise.
- Hold meetings in public
- Personal contact with panel members –use to have personal presentation
- Liaison with council officers carried out by RCVS
- Grants officers to assist groups in making best applications.

- The panel should not be managed by RCVS, but could be managed by another second tier body from another borough.
- Each panel member should have a robust method in place for getting the views of the sector
- A panel for each partnership would allow better integration with commissioning and provide more stakeholder representation.
- Need to ensure proper representation of VCS on relevant partnerships
- Cabinet members would be free of conflict of interest and in a better position to take an overview.
- Decisions should be informed by input from appropriate council Department.

These responses will be taken into account in developing the Funding Strategy.

6.2. Attendees were asked:

How should we agree our priorities for the main grants programme?

- LA and PCT statutory body responsible for agreeing priorities and setting terms & conditions.
- -Supported by Grants Direct offices (who are skilled/ trained & equipped with right info needs) – needs to implement/monitor
- -Need to have a powerful assessment tools in process e.g. choosing between two vol orgs offering same service.
- Needs to have flexibility in process.
- Community Plan and other strategies including PCT.

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| 7. Partnering arrangements |
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7.1. Respondents were asked:

What do you think should be the criteria for entering into a partnering arrangement?

The following suggestions were made:

- 6 said that it should be strong organisations – (as measured by a risk assessment)
- 1 said there should be no test for an organisation entering into an SLA.
- 5 said organisations there should be a good track record of delivery.
- 1 said it should be for services the council is not delivering itself
- Organisations should be based in the borough
- The service should benefit the community
- 2 or more organisations sharing resources
- the service is needed long term
- the organisation is flexible enough to respond to need
- The service is a locally identified priority
- The organisation has knowledge of the wider local agenda

- Funders must understand the obligations that charitable organisations have to adhere to Articles etc.
- The service requires a change of focus
- The organisation is willing to work with others.

7.2. Attendees were asked:

What issues should be taken into account when considering a longer term partnering arrangement?

- Three year funding not enough. Five years would allow for better long term planning and lead to: better outcomes as organisations could put more effort into delivery rather than succession planning; improved partnership working between organisations; ability to attract and keep quality staff.
- Full cost recovery is important but don't feel the VCS or the statutory sector has fully taken this concept on board.
- Most VCS orgs accept that with longer term funding arrangements comes more strict monitoring. But asked that monitoring requirements for local funders is co-ordinated to reduce the administrative burden on the organisation.
- That long term funding takes account of cost of living adjustments of the period of the arrangement.
- There needs to be a balance between the VCS working in partnership with the statutory sector and the VCS maintaining their autonomy. This is particularly from the users' perspective who may be reluctant to use services that have close links with the council and/ or PCT.
- With regards to procurement there are issues with the private sector being in a better position to bid for contracts, going in at a low price then increasing their costs/ fees over time, thereby not being a cheaper alternative to voluntary sector provision over time.
- Important to recognise the VCS ability to work with marginalised groups and their local knowledge.

These responses will be taken into account in developing the Funding Strategy.

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| <p>8. Transitional Arrangements</p> |
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8.1. Respondents were asked:

In thinking about possible transitional arrangements, what are the most important factors to take into consideration?

- 8 said stability –especially with regard to long term funding
- Need to keep long term outcomes in view
- 3 said minimise risk of service collapse
- Full cost recovery
- 10 said time to plan for change
- 4 said we need to keep people informed
- 3 suggested a rolling programme of change would be best
- consider role of KSOs

- 2 said we need to keep things clear and simple
- 1 said stick to timetable.
- We should start afresh with no assumptions and agreements that organisations will be funded.
- It should not be assumed that larger organisations can deliver better outcomes than smaller ones.
- Be clear right from the start about what the goals are and maintain this clarity.
- Ensure that the process is open and transparent and that the sector is involved in the process.
- Plea that any meetings are set in advance so that they can be involved and that there are more than one.
- Want to have an input into the priorities.
- Compact key in this to ensure that there are over arching principles under which the transition process can be monitored.
- Good communication
- Effective promotion of funding rounds and tenders so that the all potential interested parties have an opportunity to submit bids (e.g. organisations not currently in receipt of council funding/ contracts)
- Clarity about the process, timetables, who applies at what time and a reasonable lead in time to support good planning for both VCS and funder.
- Concerns about level of knowledge of council link officers of all the groups who are currently funded
- Suggested that there be a lead person in the council having overarching responsibility for the sector and who could help to address any issues
- Important not to lose volunteer input
- Planned exit strategies for groups to limit damage to them

These responses will be taken into account in developing the Funding Strategy.

9. General comments/Queries

9.1. The following general comments were made:

- Long term stability
- Consultative approach
- Simple forms
- Capacity of sector to engage
- Independence of sector
- Careful of favouring larger organisations
- Too much reporting hampers delivery
- Supportive of the initiative
- How will the compact/KSOs be reviewed?
- Borough should work with organisations to look for external funding
- Community & office space needed
- Complaints procedure should be clear
- Organisational confidentiality - objections to public airing with other orgs applying
- Inflation must be included each year
- How was the Community Plan drawn up?

- How was the Strategy been drawn up?
- How have the needs been identified?
- Where is the transparency in this process?
- What is the corporate commissioning unit going to look like- paid officers/membership, function
- Want timetable as soon as possible- want to plan for the new procedures if they are going to take effect from April 2008
- Felt framework needed to be set- felt constrained in responding to the questions set as they did not have a framework
- How do organisations balance the monitoring needs/outcome requirements of different funders?

These responses will be taken into account in developing the Funding Strategy.