

DERBYSHIRE COUNTY COUNCIL

IMPROVEMENT AND SCRUTINY COMMITTEE – HEALTH

25 November 2019

VOLUNTARY AND COMMUNITY SECTOR GRANTS REVIEW

1. Purpose of the report

To provide an update on the Council's review of voluntary and sector grant funding review to facilitate discussions about the approach, progress and direction of travel.

2. Information and Analysis

On 28 February 2019, Cabinet agreed plans to undertake a council wide review of VCS grants. It was agreed that the review would:

- Consider all grants provided by the Council to VCS organisations in Derbyshire and subsequently develop a coordinated and consistent council wide approach to allocate future resources
- Consider the support provided by the Council to VCS infrastructure organisations across Derbyshire, in collaboration with partners, and develop a new model for allocating funding moving forward which supports the Council's ambitions and priorities.

The VCS in Derbyshire plays a vital role in keeping people active, connected to others, increases health and wellbeing and provides a safety net for people during times of difficulty. Much of this activity is not driven by the Council but by the local people responding to community needs. It is important the Council ensures that the VCS in this context continues to thrive and a key part of this will be improving the existing approach to funding the sector.

Since February 2019, the Council has undertaken a review of the grants currently provided to voluntary and community sector organisations. This has established a baseline and a shared understanding of current grant funding approaches across the Council and the current VCS infrastructure landscape in Derbyshire. A proposal for the future delivery of VCS infrastructure support, is now in development.

On 4 April 2019, Improvement and Scrutiny Committee Health met with officers from the Council to discuss plans for the review, as evidence towards a Scrutiny Report on the 'The Impact of the Derbyshire CCGs' Financial

Recovery Plan on Service Users – Scoping and Progress Report’, published on 20th May 2019.

Work to undertake and complete the review will take place over the next twelve months with a number of key identified milestones. The proposed end date for completion and implementation of the infrastructure review is August 2020, with the wider grants funding review expected to be completed and implemented by September 2020.

2.1 Infrastructure proposal

Over the past eight months, work to identify the support provided to the sector by VCS infrastructure organisations has taken place with partners and the infrastructure organisations themselves. There is no current ‘framework’ for VCS infrastructure or a shared understanding across the Council or partners about the role of infrastructure organisations. The review therefore provides the opportunity to set out what the Council wants from infrastructure providers moving forward.

The Council wants to ensure that the VCS in Derbyshire is supported to grow and thrive. To achieve this it is proposed that the Council commits to the following principles in its approach to developing and delivering infrastructure support moving forward:

- **Valued** – Infrastructure providers play a vital role supporting the VCS to allow communities to support themselves and meet the specific needs of local people
- **Sustainable** – The Council understands that its funding approach needs to offer greater sustainability to provider organisations, which includes certainty regarding future funding commitments
- **Transparent** – It must be made clear which organisations the Council funds for infrastructure support and what outcomes have been achieved for the Council’s investment
- **Local** – The VCS works best when it is local and at the heart of communities. Any provision of support needs to reflect this
- **Proportional** – What the Council requires of infrastructure organisations will be commensurate to the level of funding provided
- **Outcome driven** – Infrastructure investment will focus on outcomes rather than how support is delivered
- **Fair** – Infrastructure funding needs to be fairly distributed throughout the county to ensure that community organisations receive an equitable offer of support regardless of their location
- **Independent** – The Council recognises the independence of the voluntary and community sector.

These principles have been developed following analysis of engagement and discussions with officers at the Council, current infrastructure providers and partner organisations which identified common themes and current challenges.

There will be a 12 week period of consultation on draft infrastructure proposals, which is required under the current Derbyshire Compact with the VCS. During this time there will be a series of consultations with key stakeholders.

2.2 VCS Grant Funding Framework

Over the past eight months, a review into how the Council currently provides grant funding to the VCS has been completed. This has resulted in the production of a detailed list of grant programmes and individual grants to voluntary and community sector organisations in Derbyshire. It is recognised that other public sector organisations in Derbyshire make a considerable contribution to the funding available for the VCS as well as having substantial experience and expertise working with the sector.

The Council's ambition is to develop a new approach to grants funding, which will lead to a fundamental change in the way in which grants across the organisation are currently administered. It is proposed that any new standards for awarding grants take an outcomes based approach to ensure that future investment supports the Council's strategic priorities moving forward.

Further work on the development of this approach will be taking place over forthcoming months as part of the review process. Work on the development of grants criteria which focus on outcomes rather than inputs will also be taking place. The change of emphasis from inputs (funding) to outcomes (impact) is significant and will require a change of mind-set from the way that grants are currently distributed, monitored and reviewed.

2.3 Next Steps

Ensuring that the Council continues to progress the work at pace and meet the identified milestones is vital. Due to time pressures and the complex nature of the work, a number of the key steps identified above are being undertaken concurrently.

3. Officer Recommendation

The Committee is requested to:

1. Note progress made on the review of the Council's voluntary and community sector grants.

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