



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

CABINET

14 March 2024

**Report of the Executive Director - Corporate Services and
Transformation and Executive Director – Adult Social Care and Health**

VCS Infrastructure Provision 2024-25
(Cabinet Member for Health and Communities)

1. Divisions Affected

1.1 County-wide

2. Key Decision

2.1 This is a key decision because it is likely to result in the Council incurring expenditure which is, or savings which are significant having regard to the budget for the service or function concerned and it is likely to be significant in terms of its effect on communities living or working in an area comprising two or more electoral areas in the County.

3. Purpose

3.1 To:

- (a) update Cabinet on progress on the development and implementation of the Council's voluntary and community sector (VCS) infrastructure approach over the last twelve months; and
- (b) seek approval to award VCS infrastructure grants for a period of twelve months from 1 April 2024 to 31 March 2025 as set out in the report, totalling £452,228.

4. Information and Analysis

- 4.1 Local VCS infrastructure organisations provide the sector with a single front door to offer support as and when needs arise. These organisations can also reach new, small and marginal organisations across the county, and generate feedback and intelligence about the sector.
- 4.2 In July 2020 Cabinet approved proposals for the future approach and funding of voluntary and community sector infrastructure support provision, following an 18 month review. The agreed approach is underpinned by:
- District level funding allocations, with providers working together where there are multiple providers within a district
 - New Service Level Agreements (SLA) on an organisation/district basis, outlining the funding providers receive and how it is spent with a commitment from providers to deliver core VCS support through a shared outcomes framework
 - A comprehensive list of co-designed Key Performance Indicators with providers, which seek to understand and measure impact and what is being achieved.
- 4.3 Since that time, the Council has worked alongside infrastructure providers through the ongoing challenges relating to the pandemic and the cost of living crisis for both the public and voluntary and community sector, alongside the establishment of the new Integrated Care Board.
- 4.4 In January 2023 Cabinet secured VCS infrastructure support provision totalling £452,228 with funding in place until 31 March 2024. This amount is jointly funded by Adult Social Care and Health (ASCH) (£245,336) and Strategy and Policy (£206,892). Further details of allocations can be found in Appendix 2.
- 4.5 Over the past 12 months the Council has continued to progress the new shared approach for VCS infrastructure provision across Derbyshire. The Council has worked with providers through monitoring and participation in meetings with key partners and stakeholders, to further embed the approach. In addition, regular meetings with the NHS Derby and Derbyshire Integrated Care Board (ICB), have taken place to ensure a consistent approach is applied across the two organisations.
- 4.6 A working group led by the ICB and attended by representatives of the Council's Strategy and Policy function has continued to meet to explore the needs of the VCS in Derbyshire, identify any gaps in provision and further strengthen the relationship with partners.

- 4.7 As a result, the Council and the ICB have worked together to deliver a more coordinated approach to monitoring infrastructure activity by developing a new joint monitoring form template for VCS infrastructure support services from April 2023. This new approach will result in reduced duplication and greater clarity for funded organisations and increased consistency and alignment of principles for the Council and ICB.
- 4.8 A sector survey has also been developed by the ICB with support from the Council, to find out more about the development and support needs of the sector and how community groups and organisations currently access support, advice and guidance. It is anticipated that once complete, the data collected will help to inform the prioritisation and allocation of funding through the outcomes framework to further strengthen the approach.
- 4.9 Although significant progress has been made in the continued improvement, development and embedding of the approach, a number of outstanding challenges in implementing the agreed priorities still remain. The Council and the ICB continue to work together to identify possible options for continuous improvements to the approach.

The Council's financial position

- 4.10 Since the VCS Infrastructure Review was concluded and the new approach was agreed for further development and implementation, the Council has faced significant financial challenges.
- 4.11 This has resulted in a projected overspend in the current financial year (2023-24) and the introduction of a series of financial controls including a temporary recruitment pause and controls over non-essential spend. A significant budget gap has also been identified for 2024-25 and it is anticipated that there will be further budget challenges in future years. This has significantly changed the context within which the Council funds the delivery of services and activity.
- 4.12 All current and planned budget allocations must therefore now be scrutinised to support the Council to meet its legal obligation to deliver a balanced budget both for the 2024-25 financial year and future years. All funded activity will be assessed and prioritised against the Council's statutory duties, its strategic objectives and proposed budget savings.
- 4.13 As the Council does not have a specific statutory duty to provide VCS Infrastructure services, the activity outlined in this report is discretionary

and therefore alternative funding options that support the Council's budget position must be considered over the coming year.

- 4.14 As part of budget savings proposals presented to Cabinet in January 2024, Adult Social Care and Health (ASCH) outlined a number of measures including a consultation on the current allocation of their voluntary sector grants to fund discretionary support services.

Moving forward

- 4.15 As this work progresses, CST and ASCH will continue to work together to ensure a coordinated approach.
- 4.16 To ensure that infrastructure provision is maintained during the forthcoming period while further work is undertaken to assess the funding against the Council's wider priorities and consider options that support the Council's financial position, it is recommended that all current grant allocations are maintained at their current levels for an additional twelve-month period until March 2025.
- 4.17 Adult Social Care currently have 11 infrastructure support grant arrangements in place across the county, whilst Strategy and Policy, within CST, have 10 grant arrangements. The total cost of infrastructure support is currently £452,228. Further details of the current grant arrangements are set out in Appendix 2 (Table 1.0 and Table 2.0).
- 4.18 Derby and Derbyshire ICB are considering securing provision over the same period and therefore extending grant funding on this timeframe would also continue to align the two funding streams for 2024-25.
- 4.19 It is recommended that Cabinet approve the proposals as set out above and receive further updates on developments and future plans for VCS infrastructure provision in due course.

5. Consultation

- 5.1 Not applicable. There has been no consultation on the proposals outlined in this report.

6. Alternative Options Considered

- 6.1 Alternative Option 1 Do Nothing – The Council could let current grant arrangements expire and end existing funding arrangements moving forward. Ceasing funding at this point would contribute towards addressing the Council's budget deficit, however the Council is required

to give the funded organisations and the public/service users impacted, three months' notice of any funding changes as outlined in the Derbyshire Compact and Local Authority Best Value Statutory Guidance. Best Value Guidance also states that an authority should actively engage the affected organisation and service users as early as possible before making a decision on: the future of the service; any knock-on effect on assets used to provide this service; and the wider impact on the local community. This option is therefore not desirable as it would not support the Council to meet these obligations.

- 6.2 Alternative Option 2 Do Something Different – The Council could extend current arrangements whilst it undertakes a procurement exercise. Whilst significant progress has been made on the new approach, the developments outlined in this report regarding the Council's overall financial position and the need to assess all spending decisions within this context, means that this option is not desirable at this time.
- 6.3 Alternative Option 3 Extend for a time limited period (six months) – The Council could extend grants for a time limited period with a further review at six months, ensuring continuation of Infrastructure activity whilst further work is undertaken to assess funding allocations against the Council's emerging financial position and budgetary priorities. This would also allow alignment and coordination with ASCH's position. However, this option would both leave infrastructure organisations with limited ability to plan budgets and activity for the financial year and could result in loss of activity and expertise before a definitive decision on the future funding/approach is agreed. There would also be insufficient time for the Council to carry out the steps necessary to change funding arrangements such as developing proposals, carrying out consultation and securing Cabinet approval for any changes.

7. Implications

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

- 8.1 Report to Cabinet – Voluntary and Community Sector Review 30 July 2020
- 8.2 Report to Cabinet – Voluntary and Community Sector Review 29 July 2021

9. Appendices

9.1 Appendix 1 – Implications

9.2 Appendix 2 – Infrastructure Support Grant Payments:

Table 1.0 Adult Care Payments

Table 2.0 Strategy and Policy Payments

10. Recommendation(s)

That Cabinet:

- a) Notes progress on the development and implementation of the Council's voluntary and community sector (VCS) infrastructure approach over the last twelve months.
- b) Approve proposals to award VCS infrastructure grants for a period of twelve months from 1 April 2024 to 31 March 2025 as set out in the report, totalling £452,228.

11. Reasons for Recommendation(s)

- 11.1 To ensure Cabinet is aware of progress made on the development of the approach to VCS infrastructure provision over the last year.
- 11.2 To ensure all infrastructure providers maintain their current levels of funding for an additional twelve-month period.

12. Is it necessary to waive the call in period?

12.1 No

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Implications**Financial**

1.1 The tables below summarise the budget allocations for the twelve-month period April 2024 to March 2025 against each grant area.

1.2 Infrastructure funding

	Number	£'s
Adult Care Funding	10	245,336
Strategy and Policy Funding	11	206,892
Total	30	452,228

1.3 Whilst proposed Strategy and Policy allocations, in respect of the 2024-25 year and can be met from existing budgets, all areas of the Council have been required to make both in-year financial savings and propose further areas for budget savings in 2024-25 to support the Council's financial position.

Legal

2.1 The Council has power to provide grants to voluntary and community sector organisations under the general power of competence set out in section 1 of the Localism Act 2011.

2.2 The Council's Financial Regulations state that grants in excess of £100,000 require Cabinet authorisation.

2.3 The Council's standard grant agreement shall be used to set out the terms and conditions for which the grants are made, which provides for clawback of funding in certain circumstances and shall also provide that the Council is not liable for any employment liabilities.

Human Resources

3.1 The voluntary and community sector organisations currently funded by the Council as part of this report are independent of the County Council and therefore there are no workforce implications.

Information Technology

4.1 None.

Equalities Impact

- 5.1 The Council invests in 12 organisations across eight districts, High Peak district has four organisations for example, and Chesterfield has three.

A key outcome for the VCS review was to support a fairer and more equitable allocation of Council funding. Whilst equity of provision does not necessarily mean uniform funding, more work is needed to develop a model for ensuring allocation of funds for VCS infrastructure is clear, proportionate to need and evidence-based.

This funding also provides specific, specialised infrastructure provision to support the rural and BME voluntary and community sector organisations across the County.

Corporate objectives and priorities for change

- 6.1 Supporting the voluntary and community sector is a key priority outlined in the Council Plan. The review will ensure that the Council further develops its approach to supporting the voluntary and community sector to ensure that it can grow and thrive.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 None.

Infrastructure Support Grants

1.0 - Adult Care Grant Payments for Infrastructure support		
Organisation Name	Brief description of what the grant is provided for/activity it supports, including the type of service	April 2024 – March 2025 (£'s)
Amber Valley CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	32,518
Bassetlaw CVS (Bolsover District)	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	7,110
Connex Community Support	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	27,236
Derbyshire Dales CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	21,515
Derbyshire Voluntary Action	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	18,166
Erewash Voluntary Action CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	57,095
High Peak CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	4,124
New Mills Volunteer Centre	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	21,513

South Derbyshire CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	36,884
The Bureau (Volunteer Centre Glossop)	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	19,175
	Total	245,336

2.0 Strategy and Policy grant payments for Infrastructure support (CST)

Organisation Name	Brief description of what the grant is provided for/activity it supports, including the type of service	April 2024 – March 2025 (£'s)
Amber Valley CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	15,378
Bassetlaw CVS (Bolsover District)	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	34,390
Chesterfield Volunteer Centre	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	23,471
Derbyshire Dales CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	15,378
Derbyshire Voluntary Action	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	5,305
Erewash Voluntary Action CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	15,378

High Peak CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	15,378
Links CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	36,058
South Derbyshire CVS	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	15,378
Rural Action Derbyshire	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	15,378
BME Infrastructure	Provide information, support, guidance, training, funding advice for groups, support to recruit and manage volunteers, promote good practice and provide a VCS perspective to the statutory sector at strategic level forums.	15,400
	Total	206,892