



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

REPORT TO CABINET MEMBER FOR HEALTH AND COMMUNITIES

19 February 2024

**Report of the Executive Director - Corporate Services and
Transformation**

**Provision of BME Community Support and Consultation Services 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 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 the Cabinet Member for Health and Communities on progress to redesign BME community support and consultation services funding; and
- b) Seek approval from the Cabinet Member for Health and Communities to continue payments to BME Voluntary and Community Sector (VCS) organisations from the Strategy and Policy Voluntary Sector Grants budget from 1 April 2024 to 31 March 2025 whilst plans are developed and implemented.

4. Information and Analysis

- 4.1 The Council currently awards five annual grants to BME VCS organisations, outlined in Appendix 1 to this report, totalling £13,316. Grants support core costs in recognition of the Authority's commitment to each group's community of interest whilst strengthening the capacity of the BME sector. An annual grant, totalling £13,224, is also paid to Links CVS to facilitate a sustainable method of consultation and engagement with BME communities in Derbyshire through the BME Forum.
- 4.2 The Council has been reviewing all grants provided to the voluntary and community sector since November 2019. In August 2022, following 12 weeks' public consultation earlier that year, an assessment process concluded that the activity and outcomes achieved through the provision of BME community groups and consultation services should continue to be supported. Reducing discrimination and tackling inequality is a priority for the Council in its approach to equality, diversity and inclusion, as is listening to and engaging residents from seldom heard groups.
- 4.3 In March 2023, the Cabinet Member for Health and Communities agreed to secure current funding arrangement until 31 March 2024, with the intention to review current funding arrangements.
- 4.4 Over the last year officers have worked with Links CVS to develop a better understanding of the current position, identify the key challenges for consideration in developing the new approach and initiate development of a potential new funding model that aligns with agreed policies and processes and addresses the challenges identified, to achieve:
- A joined-up and consistent approach to funding BME outcomes
 - Increased flexibility to fund new and emerging groups
 - Identification of clear and concise funding priorities
 - Continuation of positive activity and expertise.

The Council's financial position

- 4.5 Since the VCS Funding Review was concluded and the new approach was agreed for implementation, the Council has faced significant financial challenges.
- 4.6 This has resulted in a projected overspend for 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 similar challenges in future years. This has significantly

changed the context within which the Council funds the delivery of services and activity.

- 4.7 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 both the Council's statutory duties, its strategic objectives and proposed budget savings.
- 4.8 As the Council does not have a statutory duty to provide a BME forum or support BME community groups, 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.

Moving forward

- 4.9 Current funding arrangements with BME groups and Links CVS end on 31 March 2024. To ensure the sustainability of organisations until the funding has been assessed against the Council's wider budget priorities, the Cabinet Member for Health and Communities is asked to agree to secure current funding arrangements until 31 March 2025.
- 4.10 To adhere to the Council's new funding policy regarding grants, it will be made clear to providers that future funding beyond the agreed period is not guaranteed.
- 4.11 The future approach will be finalised by December 2024 to ensure that any changes can be communicated in advance of implementation by April 2025. The Cabinet Member for Health and Communities will receive updates on progress throughout the year.

5. Consultation

- 5.1 Not required.

6. Alternative Options Considered

- 6.1 Option 1 - Do nothing. The Council could do nothing and allow the current grants to end on 31 March 2024. Ceasing funding at this point would contribute towards addressing the Council's budget deficit. However, this would impact those organisations currently delivering BME support activity and would also impact organisations delivering consultation and engagement support. Although grants are allocated on an annual basis it is important that organisations are given appropriate

notice of any changes as specified in Best Value Guidance and the Derbyshire Compact. This option is therefore not desirable as it would not support the Council to meet these obligations.

- 6.2 Option 2 - Extend for a time limited period (six months). The Council could extend grants for a time limited period with a review at six months, ensuring continuation of activity whilst further work is undertaken to assess the funding against the Council's emerging financial position and budgetary priorities. However, this option would both leave organisations with limited ability to plan activity and budgets and could therefore result in a loss of consultation activity and expertise before a definitive decision on the future funding/approach is agreed.

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 28 July 2022

9. Appendices

- 9.1 Appendix 1 – Implications

10. Recommendation(s)

- 10.1 That the Cabinet Member for Health and Communities:

- a) Notes progress to review BME community support and consultation funding; and
- b) Approves the continuation of payments to VCS organisations providing BME support and consultation services for a twelve-month period from 1 April 2024 to 31 March 2025 as set out in this report.

11. Reasons for Recommendation(s)

- 11.1 The assessments completed for the BME activity determined that future funding should be secured and thematically reviewed.
- 11.2 Extending the funding to 31 March 2025 will secure activity until the implementation of alternative arrangements. This aligns to the agreed

grant policies and processes, with no expectation that funding would continue beyond the stated period.

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

12.1 No

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Implications**Financial**

1.1 There is no movement in departmental expenditure. The budget remains the same with no further cost incurred.

1.2 Grant funding table:

BME support activity	Grant 2024-2025 (£'s)
Asian Association	3,744
Chesterfield African Caribbean Community Association	3,744
Chesterfield Muslim Association	1,821
Derbyshire Chinese Welfare Association	2,186
Muslim Welfare Association	1,821
Consultation and Engagement (Links CVS)	13,224
Total	26,540

1.3 Whilst the proposed allocations are based on funding agreed in respect of the 2024-25 year and can be met from the existing Strategy and Policy £2.44m budget, 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 below £0.100m require Cabinet Member authorisation. The Council's standard grant agreement shall be used to set out the terms and conditions for which the grant is made. This includes conditions for clawback of funding in certain circumstances and states 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 considerations.
- 3.2 As funding is redesigned or withdrawn, then there could be a specific HR impact on the individual organisations which will be fully ascertained through the review process.

Information Technology

- 4.1 There are no Information Technology considerations associated with this report.

Equalities Impact

- 5.1 The Council must meet statutory duties under the Equality Act 2010. The Act sets out the different ways in which it is unlawful to treat individuals. The Council has due regard to the Public Sector Equality Duty which sets both general and specific duties to which public bodies are legally bound. In relation to the general duty this means having 'due regard' to:
 - Eliminate unlawful discrimination, harassment and victimisation
 - Advance equality of opportunity between all people
 - Foster good relations between people, tackling prejudice and promoting understanding. BME grants within this theme support the Council to meet its duties under the Equality Act 2010.
- 5.2 Activity within this theme supports the Council to meet these duties and deliver on its equality, diversity and inclusion ambitions as set out in the Equality, Diversity and Inclusion Strategy for Derbyshire. Continuation of this funding through a new, commissioned approach will support the Council to continue to meet its legal duty.

Corporate objectives and priorities for change

- 6.1 Making an interim grant will assist those organisations to retain volunteers and staff, who otherwise may begin to look for alternative opportunities or employment. This would ensure continuity of service for those people supported which in turn would reduce dependency on other services.

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

7.1 In preparing this report the relevance of the following factors has been considered: human resources, health, environmental, transport, and crime and disorder considerations.