

HERTFORDSHIRE COUNTY COUNCIL

**CABINET
MONDAY 19 NOVEMBER 2001 at 10.00 a.m.**

**EXECUTIVE COMMITTEE
MONDAY 19 NOVEMBER 2001 at 2.15 p.m.**

Agenda Item No.

4

**BEST VALUE REVIEW OF VOLUNTARY SECTOR FUNDING PROCESSES –
REPORT BACK FROM SELECT COMMITTEES**

Report of Assistant Chief Executive (Strategy)

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Executive Member: David Beatty

1. Purpose of report

To report comments of two Select Committees on the Cabinet and Executive Committee paper of 17 September on the Best Value Review of Voluntary Sector Funding processes.

2. Summary

In considering the Best Value Review of voluntary sector funding in September, the Executive Committee noted that the outcome of the Review would be discussed at the Resources, Prosperity, Partnership and Consultation and the Adult Care Services Select Committees in the Autumn. The Chairman undertook that any comments made by those Select Committees would be reported to Cabinet for consideration.

Subject to that proviso it was agreed that the Review plan be implemented.

The Committee also asked that an executive summary be written and incorporated in the reporting process. This summary, which was taken to the two Select Committees, is attached hereto as an appendix.

3. Comments of the Select Committees

3.1 Adult Care Services (4 October)

Four issues were raised. These are set out below, with a brief response on each:-

- (i) Concern that the funding strategy was reliant on achieving external funding targets and that the Review itself would lead to reduced discretionary funding overall.

The review does not recommend a reduction in the aggregate level of support. It does challenge the Council to analyse its funding allocations. The implementation plan will deliver some movement of funds from the 'charmed circle' to other organisations responding to the needs of the Council and its communities. The plan aims to assist voluntary organisations to tap into other sources of funding. Where other sources are not found it does not mean that the Council will automatically cease funding those organisations.

- (ii) Concern that overall external funding targets were unrealistic

These targets have been thought through and reflect the views of our officers working in the area of external funding. Targets are purposefully stretching us to achieve but may need to be revisited. There is an outstanding budgetary decision on funding a post dedicated to maximise external income sources (otherwise any costs incurred in implementing the review, particularly during transition, will be absorbed within existing budgets).

- (iii) Assurance was sought that organisations would not automatically lose their funding from HCC at the end of the 3-5 year funding period.

The precise wording of recommendation and associated targets needs to be revisited. There is no question of blanket withdrawal of funding at the end of negotiated funding periods.

- (iv) Assurance was sought that data on organisations appearing on our systems would be appropriately protected.

That assurance is given. All relevant legislation and service protocols will apply.

3.2 Resources, Prosperity, Partnership and Consultation Select Committee (1 November)

The Select Committee expressed concern that funding from the Council to the voluntary sector should be consistent with the Council's objectives, but that some groups would cease to be funded, and cease to do related work if their aims and objectives did not match those of the Council.

Where the Council is itself directly funding on a discretionary basis it is proper that it ensures that those resources are used to address issues supported by the Council. The Review has identified a lack of clarity linking funding to Council and service priorities. The purpose of these proposals is to make the links clearer rather than to threaten the withdrawal of funds. This will be made clear when communicating with the sector.