

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 03 March 2014

<b>Portfolio:</b>	Leisure and Community
<b>Subject:</b>	<b>Community Action Fareham (CAF) – Service Level Agreement</b>
<b>Report of:</b>	Director of Community
<b>Strategy/Policy:</b>	Leisure Strategy
<b>Corporate Objective:</b>	Strong and Inclusive Communities

**Purpose:**

To seek approval to extend the service level agreement (SLA) for a further period of 12 months.

**Executive summary:**

Community Action Fareham (CAF) is the local Council for Voluntary Services (CVS). CAF offers support to a range of community organisations providing services and activities to meet the needs of local residents.

The current Service Level Agreement (SLA) with Community Action Fareham expires on 31 March 2014, having been renewed on a six-monthly basis since September 2013.

This report proposes extending the SLA for a period of 12 months (1 April 2014 – 31 March 2015) as well as a number of measures to define and strengthen the operation of Community Action Fareham.

**Recommendation/Recommended Option:**

That the Executive agrees to:

- a) extend the existing SLA for a further period of twelve months, until 31 March 2015;
- b) a reduction of 2% in the Council's grant to CAF, in line with the reduction implemented by Hampshire County Council;
- c) ring-fence £10,000 of the grant funding for the establishment of an Enabling Fund to respond to emerging community need; and
- d) delegate authority to the Executive Member for Leisure & Community to approve the award of the enabling funding for any initiative brought forward by CAF.

**Reason:**

Fareham Borough Council recognises the value in supporting and assisting the network of local community and voluntary organisations which exist across the Borough to support local activity. In the current financial climate, the proposals outlined in this report seek to allow support to CAF to continue, enabling them to assist the local community effectively, whilst still being responsive to emerging themes and local need.

**Cost of proposals:**

The funding for the current service level agreement is £41,836. All of the recommendations in this report can be accommodated within the existing revenue budget, whilst producing a small efficiency saving for the Council.

**Appendices:**

**Background papers: None**

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### Executive Briefing Paper

**Date:** 03 March 2014

**Subject:** Community Action Fareham SLA

**Briefing by:** Director of Community

**Portfolio:** Leisure and Community

#### INTRODUCTION

##### Background

1. It is well recognised that the Voluntary Sector serves an important part of delivering services to the community and that, where appropriate, this is becoming an increasingly used delivery model for some Council services.
2. The County Council has already transferred many public services to the community and voluntary sector; it is acknowledged that the support covered by these arrangements is concerned with building the capacity of and supporting the community and voluntary sector to tackle local issues effectively. The sector also continues to be used to deliver many caring and pastoral activities, which provides vital support to vulnerable local residents. This tends to be through the use of practical and operational skills, enabling them to ensure that governance and operational requirements are maintained.
3. Community Action Fareham's SLA expired on 31 March 2013 and since this date they have been on a six-month rolling extension. Although not ideal, the purpose of this arrangement initially was to allow extra time for the results of Hampshire County Council's (HCC) review of future financial support to the voluntary sector, to be finalised.
4. Unfortunately, having incurred a number of delays, the review is no further forward. Consequently a number of other local Borough and District Councils who fund their local CVS's on a joint basis with the County Council, have now decided to make their own, local arrangements, instead of waiting for HCC to determine priorities.

#### PROPOSED COUNTY FUNDING ARRANGEMENTS

5. HCC has confirmed that due to further setbacks, they are not likely to have an outcome to the review of funding to the voluntary sector until the year 2015/16.
6. In the meantime Hampshire County Council has confirmed that their grant to CAF will decrease by 2% in 2014/15. HCC has suggested that further cuts are likely; suggesting reductions of up to 12% may be needed towards 2015/16. They have also confirmed that

further funding to support CVS's, may in future need to be secured through an application process.

## **OTHER LOCAL ARRANGEMENTS**

7. To date, both Winchester City and Basingstoke & Deane Borough Councils have moved away from joint plans with the HCC in favour of their own local arrangements. Winchester City Council is following a commissioning route, having decided to commission specific services, whilst Basingstoke is considering a grants process for providing future support to the sector.
8. Similarly, Portsmouth City Council has decided to set aside a one-off fund of £200,000 to create a Capacity and Transition Fund. This is to enable the voluntary and community sector to reconfigure their services and enhance their capacity/infrastructure in order to support/provide services on behalf of the Council.

## **A LOCAL WAY FORWARD IN FAREHAM**

9. So that CAF can be given some stability to forward plan their activities and be clear about the support they can offer to the local community, it is proposed that Fareham Borough Council now looks to establish local priorities for future support, rather than taking a lead from Hampshire.
10. Therefore, to enable the Council to decide how best to provide support to the voluntary and community sector, officers and elected members have begun to consider the Council's priorities for future support to the Community. These discussions have taken place over a number of months as part of the regular meetings between CAF and the Council.
11. The purpose of the discussions has been to consider the needs of the local community to ensure that the financial resources provided by the Council are used to the maximum benefit. This should also help guarantee that local groups and organisations can be supported with a range of useful and effective services that they need to operate and ensure governance is maintained.
12. The intention is to establish a priority list of functions needed to support the community in Fareham which will form the basis of CAF's SLA from 2015/2016 and be reported to the Council's Executive in early 2015.

## **PROPOSED LOCAL FUNDING ARRANGEMENTS**

13. As with Hampshire County Council, Fareham Borough Council also needs to consider how it can make efficiencies to achieve a balanced budget while trying to ensure that available budgets are used most effectively to provide the best possible service to the community.
14. Therefore, in line with HCC, it is proposed that the Council implement the same 2% reduction in the current level of funding given to CAF. In monetary terms, this will mean that the current grant to CAF of £41,836 will be reduced by £836 to a basic figure of £41,000 for the delivery of core activities.

15. In addition, following the initial work undertaken on identifying local community needs, it is proposed that CAF funding allocation be reconfigured slightly to enable a more responsive approach to locally emerging need.
16. It is envisaged the primary purpose of the new fund would be to identify and respond promptly to emerging local priorities. For example working in partnership with another CVS or voluntary organisation and sharing operational costs to meet an emerging community need. The decision on how this funding is allocated would be delegated to the Executive Member for Leisure & Community.
17. This would mean the funding being separated into two categories, core funded activity and a new enabling fund to support local emerging community priorities. The proposal is for £10,000 to be allocated to the new enabling fund with the remaining being allocated to the provision of core services in accordance with the current SLA.

### **FINANCIAL IMPLICATIONS**

18. If supported, implementing a 2% saving will secure £836 towards the Council's efficiency plans. Additionally, the options outlined in this report propose the sum of £31,000 as a contribution towards the cost of core activities and £10,000 be earmarked for the establishment of an enabling fund ring fenced to CAF to respond to emerging community needs.
19. The existing lease for the building is due to be reviewed by 31 March 2015 and the building will also be subject to a rent review at this time. Therefore it is proposed that the overall theme of efficiency may be useful in enabling them to revise their operation and explore alternative methods of delivery.

### **CONCLUSION**

20. The Council recognises the importance of well-supported and effective community and voluntary activities and support services for local residents. The proposals outlined in this report will enable CAF to continue to offer local assistance to the community, whilst exploring new and emerging opportunities for greater efficiency and collaboration.
21. This report proposes extending the current SLA with Community Action Fareham by 12 months until 31 March 2015. During this period further consideration will be given to the priority for community services in Fareham and proposes that £10,000 of the core funding for CAF be ring-fenced to be allocated to emerging community needs.

### **Reference Papers:**

Community Action Fareham – Service Level Agreement – 2010-2013

Report to the Executive for Decision – 11 February 2013 –  
Community Action Fareham – Review of Service Level Agreement