

## **District-wide strategic grants – funding arrangements with CASS and SPARK 2020-2021**

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### **Purpose of the Report**

1. This report seeks the approval of District Executive on the funding of two strategic voluntary sector partners, Citizens Advice South Somerset (CASS) and SPARK for the period 2020-2021, and to note the possible closure of Access for All.

### **Forward Plan**

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of January 2020.

### **Public Interest**

3. SSDC supports a range of voluntary and community sector groups, organisations and projects via its one-off community grants programme, administered by the Area Committees. It also supports, through regular funding, a small number of strategic district-wide organisations approved by District Executive. This financial investment in the sector not only provides direct support to groups working in the local community but also assists the council in the delivery of the council plan.

### **Recommendations**

4. That District Executive -
  - a) Agrees to a one year funding agreement for the period April 2020 to March 2021, for Citizens Advice South Somerset and SPARK
  - b) Agrees to a one-off increase of **£30,000** to the Grants Budget to:-
    - i. Provide an additional **£23,305** to Citizens Advice South Somerset to further mitigate against the effects of the removal of the County Council core grant.
    - ii. Provide an inflationary uplift of **£1,260** to the annual grant to SPARK
    - iii. Fund an initial allocation of **£5,435** as SSDC's contribution to the package of support work with the Citizens Advice as described in Section 5.1
  - c) Agrees that the funding of CASS beyond 2021 will be subject to the outcome of the package of support work described in paragraph 4b(iii) above.
  - d) Agrees that the future funding of SPARK beyond 2021 will be subject to the outcome of a wider piece of commissioning activity to be determined in line with emerging council priorities.

- e) Notes that Access for All's future is currently uncertain, and that until further investigative work has been completed on future sustainability, no commitment to funding is being sought.

## **Background**

5. South Somerset District Council has maintained a long-term service delivery and funding relationship with the above two organisations over many years.
6. The organisations are considered strategic voluntary sector partners for the District Council delivering services across the whole district that support some of the most vulnerable residents and contribute to a resilient and thriving voluntary and community sector.
7. Whilst previously supported with three year contracts, CASS had been in receipt of annual funding from 2012, and Spark from 2015, whilst subject to reviews following concerns about their performance. Access for All had a rolling one year agreement, renewed annually.
8. In February 2018, District Executive received a report recommending that two year agreements be awarded for the period 2018-2020. This was supported by members.
9. In January 2019 District Executive received a report requesting an additional one-off grant of £32,000 to mitigate against the worst effects of the cut that CASS received to its County Council core grant and Local Assistance Scheme management contribution. Members fully supported this increase.
10. There has been no increase in the core grant received by CASS and SPARK since 2013/14, despite the increase in cost of living and both the expansion of, and increasing demand on, their services.
11. Funding of both organisations has been subject to District Executive approval with performance also reported to District Executive.

## **12. CASS**

13. CASS is an independent charity and part of the Citizens Advice network across England and Wales. They work in partnership with other agencies and groups.  
CASS provides free, confidential, advice to help people resolve their problems and also campaign to raise awareness about the big issues that affect people's lives.  
They provide advice on a wide range of issues including benefits, debt, employment, consumer, housing and family relationships. Their goal is to help everyone find a way forward no matter what problem they face.
14. CASS is the major provider of free, confidential, independent and impartial advice in the South Somerset area. Advice services are quality assured under the national Citizens Advice Membership Scheme
  - In addition, the organisation aims to improve policies and practices that affect people's lives
  - CASS has been serving the community of South Somerset since 1961
15. Following the 100% cut to the county council's core grant, SSDC awarded an additional one-off grant of £32,000 in January 2019 to help offset its worst effects and to ensure an acceptable level of service could be maintained during 2019/20.

16. Despite the cut CASS have continued to deliver consistency and quality of service through prudent management. Nonetheless the current operating environment is very demanding and the future extremely challenging.
17. Demand is increasing with CASS dealing with a 12% increase in the first six months of the current financial year.
18. A six month review meeting was held between the four District Councils and all five of the Somerset CA's in September 2019 to establish how they were fairing since the county council cut and what future sustainability was looking like.
19. The outcome of this meeting was reported to the Somerset councils Chief Executives on the 25th October 2019 with a number of possible options for supporting the CA's moving forwards.
20. It was agreed, by the Chief Executives to support an option where the councils jointly commission external support for the CAs to explore different ways of delivering their service outcomes, including looking at transformation, technology and interventions to reduce demand/deal earlier with some of the issues that are creating demand.
21. The officers from the District Councils are currently working up a costed proposal to go back to the Chief Executives for final approval with a view to work commencing by April 2020.
22. In recognition of the time it would take to implement any measures arising from the support put in place it was also agreed that each District Council would be prepared to consider a further one-year uplift in their grant to provide the necessary sustainability during this transition.

### **23. SPARK**

24. Set up in 1981, SPARK was part of a national network of Councils for Voluntary Service (now commonly called Voluntary & Community Action) that traditionally have existed at a district council level. These are civil society, development organisations whose main purpose is to support the work of other organisations in the VCS; particularly smaller and volunteer run community groups. This type of organisation is also known as VCS Infrastructure. In 2018 it formally separated from its then parent organisation, South Somerset Voluntary and Community Action, and set up as an independent organisation taking on the legal structure of a Charitable Incorporated Organisation (CIO)
25. Its role includes:
  - Representing the views of its members to statutory bodies and others.
  - Helping new initiatives to develop and new organisations to form.
  - Providing advice and information on all aspects of running and managing the organisations they work with, including effective governance, recruiting volunteers and accessing sustainable funding or generating income.
  - A leadership role within the sector, encouraging organisations to work together in collaboration and partnership.
26. Having originally been part of South Somerset Voluntary and Community Action, SPARK is now a stand-alone organisation established as a Charitable Incorporated Organisation (CIO) with a very experienced board of trustees who between them have extensive knowledge and experience of managing and running Voluntary Sector organisations at a local, regional and national level.
27. SSDC has been core funding SPARK at the level of £74,260 per annum for the past 7 years with no increase in funding or inflationary uplift during this period.

28. As the profile and standing of SPARK has grown, particularly in its role of representing and advocating for the wider Voluntary and Community Sector, they have been able to attract funding to support projects that are of direct benefit to South Somerset residents; particularly in the areas of Health and Wellbeing and Volunteering.
29. They have also won national awards most notably for their contribution to the work of the Symphony Project in South Somerset.
30. SSDC funding contributes to the organisation's core funding, including the salary of the South Somerset Voluntary Sector Adviser (25 hours) and contributions to the Volunteering brokerage service, Chief Executive Post and associated management costs.
31. Critically, it is through providing adequate levels of Core funding that SPARK is in a position to bid for and/or be awarded project work. By acting strategically in funding core infrastructure functions at the local level, our investment helps act as a multiplier, drawing in other resources and creating social capital.
32. Demand for SPARK services is increasing. Two areas where SPARK is having to provide additional group support is to Active Living Centres (groups supporting older vulnerable residents) and youth groups; both of which have required support due to County Council cuts. In the case of Active Living Centres, support is crucial due to the age profile of the residents who are responsible for running the groups, many of whom are of advanced years themselves.
33. Furthermore, as the focus, priorities, capacity and skill set of our own Locality Service has changed significantly from that of the Area Development Service, referrals to SPARK for direct support for community groups has definitely increased.
34. The Healthy and Self Reliant Communities Community of Practice (COP) has also identified a potential key role for SPARK in relation to the Health and Wellbeing agenda. Not only are they a beneficial partner to have as a member of the COP but would be well placed in the facilitation and delivery of community based initiatives that will help deliver council and COP identified outcomes.
35. There is an opportunity to work more closely with SPARK around the promotion and take up of community grants, particularly as we begin to identify a role for the local voluntary and community sector through the discussions taking place at the Healthy and Self Reliant Communities COP.

### **Constitutional implications**

36. Grants to Outside Bodies are covered by Financial Regulations (15.3). Relevant considerations for compliance with financial regulations include:
  - District Executive or relevant Area Committee shall approve all grants greater than £1,000
  - It must not form a commitment of future years' annual budget unless it matches the criteria set within the Council's Community Grants Policy

- Reports to district Executive seeking approval for grants shall provide assurance that the following are met:
  - The receiving body has been properly identified, has suitable lead parties, a defined work area/purpose, and suitable trust documents/constitution
  - Any conflicts of interest have been declared and properly managed;
  - Any risks are adequately and appropriately managed
  - Possible to confirm proper use of the funds
  - The assistance contributes to the delivery of the councils services or achievement of Council's corporate objectives
  - The extent and purpose of the assistance have been properly identified
- Arrangements to recover the value of grant are in place in the event of default by the recipient
- Any specific conditions have been identified
- Monitoring in place to ensure grant used for approved purpose
- The recipient will provide evidence of proper accounting and access to supporting information / documents / evidence
- A legally binding agreement is in place.

## **Financial Risks**

### **37. CASS**

38. As at the 31st March 2019 the organisation held unrestricted reserves of £225,202. This fund included a donation of £23,000 which the Board designated for use in the current year to continue the Assist Pathway Mental Health Service. The forecast year end reserve for 2019/20 is, therefore, a sum of at least £185,202.
39. The organisation continues to have a diverse income stream and secured new sources of funding for various projects and specialist services in 2019. The reduction in core funding, as a result of Somerset County Council's decision not to award an annual grant, leaves the core service, as it currently stands, under-funded.
40. The forecast Income for 2020/21 is approximately £478,370 made up of £256,698 for core services (includes continuation of Universal Credit support) and £221,672 for project funding. New funding is expected for mental health services through a joint commission from SCC and the Clinical Commission Group (Radical Transformation for Mental Health NHSE funding). Other likely new funding sources currently in negation include money advice service funding for debt advice through a partnership with Talking Money (a Bristol Based Partnership).
41. The Board has approved a revised 3 year strategic plan for financial sustainability that will expand the organisation's range and sources of funding, increase the application of full cost recovery into project funds and maximise opportunities to make efficiency savings through collaboration and service transformation.
42. Collectively these measures ensure that CASS is in a reasonably secure financial position with adequate reserves.

### 43. SPARK

44. SPARK have been looking very carefully at the diversification of funding in order to enhance and supplement their public sector funding and to increase their capacity, with a particular focus on income generation rather than grants. As part of this they are beginning to grow their paid-for services such as training, DBS and consultancy, whilst also looking for other funding streams elsewhere. In the past two years, they have diversified and extended their income generation very considerably and will be looking to continue on this path going forward.

45. Other key income secured this year includes:

- Mendip District Council grant - £25k
- Sedgemoor District Council - £20k
- Somerset County Council infrastructure grant - £32k
- SCC grant for strategic funding support - £10k
- SCC grant: memory loss and dementia - £10k
- NHS England: social prescribing roles - £68k
- NHS Volunteering - £40k
- Yarlington - £25k
- Carers Service - £15k p.a. (for 3 years from October 2017)
- SCC/SCF VCSE Strategic Forum Project - £6k p.a.

46. Despite growth in the both the staff team and activity during 2019/20, SPARK are projecting a small surplus at the end of the financial year that they will use to develop their services and increase capacity going forward.

47. SPARK is, therefore, also in a secure financial position and presents a low financial risk.

### Financial Implications

48. The recommendation to Members is to approve a one-year extension to the agreement with SPARK, including an inflationary uplift, an extension by another year of the core and additional funding for CASS, and a contribution to the proposed Citizens Advice support package.

### 49. CASS

50. In addition to the core contribution of £121,730, it is proposed to increase CASS's funding for 2020/21 by **£23,305**. The additional funding is to be allocated as follows:-

- Continuation of the well-used Chard and Wincanton Outreach sessions (venue rent) - **£11,069**
- First year's rent and associated advice supervision costs on a new Outreach surgery on the Westfield estate (South Somerset's most deprived area) - **£3,256**
- A further year's match funding contribution to the management costs of administering the Local Assistance Scheme - **£6,480**
- Contribution to the associated management costs, specifically back-filling time for the CEO's participation in the transformative work - **£2,500**

### 51. SPARK

52. In view of the consideration that a wider piece of third sector commissioning work should be undertaken to support SSDC as it moves forward on the delivery of the ambitions of the new Council Plan, SPARK's funding will continue for a further year at the current level plus an inflationary increase of **£1,260**.
53. Current and proposed payments to these two organisations are summarised in the following table:

Organisation	2019/20			2020/21		
	Core Grant	One Off Uplift/Inflation	Total	Core Grant	One Off Uplift/Inflation	Total
CASS	121,730	32,000	153,730	121,730	23,305	145,035
SPARK	74,260	0	74,260	74,260	1,260	75,520
<b>Total</b>	<b>195,990</b>	<b>32,000</b>	<b>227,990</b>	<b>195,990</b>	<b>24,565</b>	<b>220,555</b>

54. In addition to the above it is proposed to ring fence the **£9,000** currently paid to Access for All until their future sustainability has been fully considered.
55. Citizens Advice Support Package

An initial allocation of **£5,435** as SSDC's contribution to the Citizens Advice package of support is also being sought.

## 56. Summary

The 2020/21 base budget for strategic district-wide voluntary and community sector grants is **£206,190**.

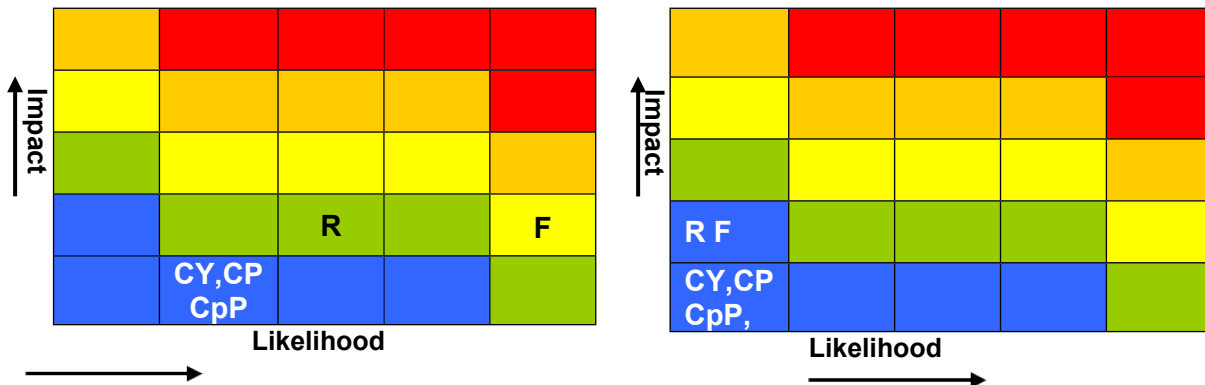
To accommodate the required one-off increases for 2020/21, as detailed in this report, will therefore require a budget increase of **£30,000**.

Provision for the increase has been included as a budget pressure for 2020/21, has been approved by SLT and will be subject to approval by Full Council at their meeting on the 20<sup>th</sup> February 2020.

## Risk Matrix

Risk Profile before officer recommendations

Risk Profile after officer recommendations



### Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

## Council Plan Implications

57. The funding of the district-wide organisations detailed in this report helps the Council deliver on the following values and priorities in the 2016/21 Council Plan:

### 58. SPARK

The work of SPARK contributes to the following elements of the council Corporate Plan

**Aim:** Improving health and reducing health inequality - As evidenced by the extensive Health and Wellbeing work they are undertaking in the areas of tackling Loneliness, Social Prescribing and Mental Health.

#### Values:

- Supporting people and communities, enabling them to help themselves
- Working with partners to improve services, efficiencies, resilience and influence.

**Theme:** 'Healthy and Self Reliant Communities' and the following three 2019/20 priorities

- Embed social value into all processes and activities to ensure we maximise the support we give to our communities.
- Work with partners to reduce the impact of social isolation and create a feeling of community.
- Work with partners to support people in improving their own physical and mental health and wellbeing.



- Support residents facing hardship.

By contributing to an effective Voluntary and Community Sector, SPARK can also be shown to make a contribution to the priority of making SSDC a cost effective organisation through building a mature voluntary sector which the council can confidently do business with and thereby achieve greater Social Value.

## 59. CASS

The work of CASS contributes to the following elements of the Council Plan 2019/20

### Aims:

- Improving health and reducing health inequality – particularly addressing poor mental health experienced by those dealing with, amongst other things, debt, low incomes, threatened homelessness, unemployment and relationship breakdown.
- Protect core services to the public by reducing costs and seeking income generation – particularly by helping residents tackle Council Tax arrears thereby helping the council achieve maximum realisation of a key income stream.

### Values:

- Supporting people and communities, enabling them to help themselves

### Theme:

'Healthy and Self Reliant Communities' and the following three 2019/20 priorities

- Work with partners to reduce the impact of social isolation and create a feeling of community.
- Work with partners to support people in improving their own physical and mental health and wellbeing.
- Support residents facing hardship.

By supporting a universal information and advice service the Council is improving people's individual life circumstances (reducing hardship), supporting the economy by realising an increase in people's disposable income and helping reduce demand on council services.

## Carbon Emissions and Climate Change Implications

60. None

## Equality and Diversity Implications

61. Working with the voluntary sector is one of the Council's means of providing services to hard to reach groups and engaging with communities and individuals who otherwise find it hard to access public services. CASS and Access for All deliver services to some of the most vulnerable people in the district whilst SPARK contributes to a thriving and resilient voluntary and community sector. Supporting the VCS increases community engagement and participation.
62. If members support the recommendation then there will be no negative impacts in respect of the Protected Characteristics covered by the Equality Act.

63. If members are minded to recommend either a reduction in the value, or to not support any of the recommended levels of funding, a full Equality Analysis will need to be carried out and reported to District Executive before recommendations are implemented.

### **Privacy Impact Assessment**

63. None

### **Background Papers**

59. Funding for Citizens Advice South Somerset (CASS) February 2019; District-wide strategic grants – Proposal for new two -year funding agreements with Access for All, CASS and SPARK 2018-2020; District-wide Voluntary Grants 2017-18; District-wide Voluntary Grants 2016-17; District-wide Voluntary Grants 2015-16;
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## APPENDIX 1

### Performance headlines for the SLA monitoring period April to September 2019

#### CASS

- An overall **12%** increase in the demand for the service during this first 6 months of the year
- Approximately **20%** of clients come from the most deprived areas (using IMD LSOA's)
- **3,161** clients helped covering **8,831** issues, generating **3,307** cases requiring a total of **6,170 activities**.
- Of the above;
  - **3,667** were benefit/tax credit related issues, of which
    - **1,164** were initial claim issues
    - **587** issues were concerned with Personal Independence Payment (PIP)
  - **1,090** were debt related issues, of which
    - **132** issues were council tax debt.
    - **142** were concerned with Debt Relief Orders
  - **426** clients presented with Housing issues.
  - **406** clients presented with employment related issues.
- 'face to face' is the primary channel for delivering services (**1,524 clients**)
- **29%** of all face to face clients are seen through the Outreach Services
  - Of these **219** have used the Chard outreach and **90** Wincanton.
- **171** clients have used the webchat facility
- **47%** of clients had a long-term health condition or were disabled.
- The number of volunteers active during the period was **56**
- **5,376** volunteering hours (average of **896** month)
- **£44,137** of volunteer time (based on the conservative minimum wage figure of £8.21 p.h.
- **£554,276** of income realised for clients
- **£99,144**, of debts written off

#### SPARK

##### Learning opportunities provided

- 2 forums held in South Somerset District with 103 participants
  - South Somerset VCSE Forum
  - VCSE Leaders' Conference
- 1 targeted forum for Active Living Groups
- 15 Training courses with 182 participants (No course received less than a 75% Excellent rating from participants)

*'Great training, pitched at the right level; and post support offer really appreciated'.  
(Writing Better Funding Bids)*

## Information

- 31 e-bulletins (comprising general newsletters, funding newsletters and training announcements).
- Social Media
  - The Spark Somerset Facebook page has 953 followers and 804 likes, the average post reach is 241.
  - Twitter following has grown to 1591.
  - The Wellbeing South Somerset Facebook page has 254 likes and 281 followers, the average post reach is 184.
  - The Twitter following has grown to 449.
- Website self-help resources
  - New resource pack to support Active Living Groups added
  - Resources previously hosted by the County Youth and Community Service added
  - Overall the resources landing page had 392 views, 195 unique visitors and 68 resource downloads

## Group Support

- one-to-one advice and support provided to 39 groups. Of these:
  - 19 received funding support
  - 21 received advice on governance/setting up
  - 4 were supported with planning a community activity
  - 4 received advice on volunteering
  - A number of groups received support with multiple issues

*"I would like to thank Spark Somerset for the help they have provided to me over the last few months in helping me gaining charity status. Without their help it would have been a longer process; their knowledge and experience is so valuable to people seeking this information." (Stoma Heroes)*

## Volunteering

- 132 new volunteers registered
- 27 volunteers placed (the number of known successful placements is dependent on the receiving organisation providing feedback to SPARK)
- 16 new organisations registered
- 83 new opportunities registered
- 50 new Community Connectors engaged (now 300+ in South Somerset)

*“I had recently retired from nursing and missed being involved with my community. I felt I would be able to use some of the skills I acquired whilst working and apply them to a voluntary role. I have met new people and learnt all sorts of things from our speakers. I wouldn't hesitate to recommend volunteering to others. I have met a great group of people and also feel that I am still doing something useful.”*

## **Leadership and Voice of the Sector**

- Spark has represented the sector on the following groups
  - South Somerset Together (SST) Strategy Group
  - Somerset VCSE Strategic Advisory Group
  - South Somerset Care Board
  - STP Neighbourhood Board
  - Stronger Communities Group
  - 12 of the 13 PCN/Neighbourhood Boards
- In addition SPARK are co-ordinating the development of a Mental Health Alliance, a consortium of mental health organisations, in order to bid for the NHSE Transformation Fund.
- Spark also attended a roundtable discussion about grant giving across the UK at the Cabinet Office in London; the only representative organisation from the South West.
- SPARK has also helped facilitate the ‘Somerset Richmond Group’, a consortium that will be exploring better opportunities for collaborative working.
- Spark have been commissioned by Somerset Community Foundation and the VCSE Strategic Forum to manage the 2019 ‘State of the Sector’ research.

*“Currently we are working on an exciting partnership of voluntary sector organisations around mental health provision in the county. Both in my role at Mind in Somerset and as lead for the Somerset Mental Health Hub I would like to say that we would not be where we are with this process if it were not for the support, input and guidance from Spark Somerset. They are a vital ingredient of the voluntary sector provision in the county, without whom we would often not be able to achieve the system change that is needed.”*

**Andrew Pritchard, COO of Mind in Somerset and Lead for the Somerset Mental Health Hub**