

Annex 1

***Review of Future Grant
Arrangements with Key
Voluntary Bodies***

Report of the Review Group



***Scrutiny Committee
5 August 2008***

1. Introduction

1.1 A scoping report for this review was considered by the Scrutiny Committee on 15th January 2008 and set out a number of issues to be considered by the Review Group. These were as follows:

- To assess the financial pressures facing key voluntary bodies and what plans they might have to deal with these
- To review what role the financial support from the Borough Council plays in assisting the work of those voluntary bodies
- To investigate the scope for voluntary bodies to work more closely with others to share functions and reduce operational costs
- To assess the need for new or revised service level agreements with key voluntary bodies
- To assess whether an annual bidding process remains appropriate for these voluntary bodies or whether there is scope for longer term funding agreements to be developed to recognise good practice in making cost savings.
- To engage with Kent County Council over funding of the local voluntary sector and to explore the scope for better co-ordination over grant support.

1.2 It was also agreed that the review would focus on issues related to the following voluntary bodies:

- Citizen's Advice Bureaux (Malling and Tonbridge)
- Volunteer Bureaux (Malling and Tonbridge)
- Age Concern (Malling and Tonbridge)
- Mediation Schemes (Maidstone and West Kent)
- Voluntary Action West Kent (VAWK)

1.3 Meetings of the informal Review Group were held as follows:

- 11th March 2008 – Citizens' Advice Bureaux
- 30th April 2008 – Age Concern and Volunteer Bureaux

- 10th June 2008 – Mediation Schemes and Voluntary Action West Kent
- 16th July 2008 – Report back on issues related to Citizens' Advice Bureaux

2. Key Issues Emerging from the Review

2.1 The Review Group received presentations and supporting information from each of the voluntary groups invited to take part in the review. This focused on exploring the review issues set out above. It was therefore able to build up a comparative view of each voluntary body and their overall effectiveness in providing services to the local community.

2.2 In addition to specific issues about each voluntary body, a number of more general issues emerged from discussions which have been considered by this review. These are as follows:

(a) Differences in funding support between voluntary bodies

2.3 The two Citizens' Advice Bureaux absorb considerable amounts of Borough Council funding, amounting to £142,416 grant support for 2008/09. Funding is agreed via service level agreements for a three year period. Other voluntary agencies, for example, the two Age Concerns, the two Volunteer Bureaux and local Mediation Schemes have to apply annually to the Borough Council via the Voluntary and Community Sector Grants Scheme. The maximum amount available under this scheme is £3,000 pa although in practice, due to the numbers applying for such support, the maximum grant level available is generally set below this. The Kent Partners Compact, to which the Borough Council is a signatory, recognises that greater financial stability for the voluntary sector is needed by implementing longer term funding arrangements where this represents better value for money. Increasing the number of three year service level agreements, where appropriate, would achieve this objective.

2.4 The Review Group acknowledged the historical dependence of the two CAB offices on Borough Council funding. Such issues have been taken up within national Citizens' Advice (CitA), Kent County Council and with Government previously but without success. In particular, Government regard funding to local CABx to be a matter of local choice. Although the local CABx, Tonbridge in particular, have made progress in seeking funding from other sources, it remains that the two CABx continue to absorb disproportionate amounts of support funding compared with other voluntary bodies.

2.5 On this basis, the review has focused on:

- whether other sources of funding could be found to support the work of the CABx, for example, from the County Council, which could then

release some additional Borough Council funding to support other key voluntary bodies

- whether a revised approach could be adopted, similar to that in place for the CABx, to give longer term funding certainty to other key voluntary groups (for example, three year funding agreements) in return for agreed service level agreements.

(b) *The current configuration of key voluntary bodies providing services to the whole Borough*

2.6 The majority of voluntary bodies covered by this review operate within part of the Borough rather than across the whole area. For example, there are two age concerns, two CABx and two volunteer bureaux, generally one covering the Tonbridge area and the other covering Malling. Each body is an independent charity with a separate Board and separate management and back office staff.

2.7 The review has therefore sought to address, on the basis of what it has heard about each individual body, how each could perhaps work more closely, share functions, or ultimately merge with their partner organisation. Such an approach could achieve greater efficiencies and cost savings, although, on the other hand, there could be a loss of 'local' focus in certain areas. It is apparent, however, that some part-borough voluntary bodies appear to be stronger and more effective than their 'sister' organisation. The scope exists, therefore, using a different approach to funding support, to improve local services across the Borough by focusing financial support on one of the voluntary bodies as the 'lead' agency for the Borough with a view to that body ensuring a Borough-wide service is provided via agreement and/or commissioning with their sister organisation.

2.8 On this basis, the review has focused on

- the scope for regarding one voluntary body as the lead agency for the provision of services across the Borough rather than separately funding both bodies.

(c) *The need to focus support on those involved in direct service provision*

2.9 The key to Borough Council support funding is to ensure that it is best directed to those agencies which provide support for those in need in the Borough. This is a fundamental component in ensuring that the grant support available from Borough Council funds provides the best value for money in terms of the benefits achieved for local residents.

2.10 Apart from Voluntary Action West Kent, which is an infrastructure support body for other voluntary groups, the review confirmed that all of the other key voluntary bodies provided a range of important, valued and

good quality services to the local community, although in some cases, there was variation in the quality and scope of such services between the Tonbridge and Malling areas.

2.11 On this basis, the review has focused on:

- whether funding should continue to be directed to voluntary bodies not providing a direct support service to the Borough's residents.

3. Key Findings from the Review

3.1 In addition to the general issues considered above, the review has focused on the individual aspects of each of the organisations which are the subject of this review. These are now considered in turn.

(a) Citizens' Advice

3.2 The issue of CAB dependency on Borough Council funding has been a concern for many years. The review has sought to explore what scope there might be for reducing such dependency either by the generation of additional income from elsewhere or by rationalisation of CAB services. As part of the review, the possibility of charging for some advice services was explored but CitA indicated that this would be contrary to national policy which required services to be made free at the point of delivery. Support funding for CABx from Kent County Council was also explored but an initial response from them was negative. Further discussions will, however, continue to take place.

3.3 The review found that the two CABx in the borough operate on very different models. Malling CAB is a smaller bureau in terms of numbers of clients dealt with, opening hours etc, and relies on paid staff only to provide advice services. It provides good quality services and has been recognised as an elite Bureau by CitA following an audit and holds the Legal Services Commission Quality Mark for generalist advice. The Tonbridge CAB deals with a greater number of clients, provides outreach services at Hadlow and Snodland and generates significant income in addition to Borough Council grant. It has been proactive in bidding for additional advice contracts, for example, the Finance, Benefit and Debt Service funded by Kent Probation. The Tonbridge CAB has a number of core staff but operate advice services through a core of some 36 volunteers. This approach reduces operating costs and also provides developmental opportunities for those volunteers, a number of whom then go on to find paid employment.

3.4 The review received evidence from Martin Hart, Business Consultant for Citizens Advice South East on that organisation's objectives for future CAB services. That vision is enshrined in the Citizens Advice Service Strategy 2008-2011. The advice from Martin Hart was that the Tonbridge CAB operation closely reflected the 'model' of best practice being promoted nationally. The key issues were the use of volunteers, strategic management capacity, capacity to react to gaps in the need

for specialist advice and overall financial sustainability. The Malling CAB did not fully meet such objectives.

- 3.5 Based on the criteria set out in para 2.8 above and taking account of the advice from Martin Hart, the review might have sought to promote closer working between the two bureaux based on the Tonbridge model of operation as this clearly reflects national best practice. Regretfully, during the process of the review, the Malling CAB Board of Trustees took the decision that the Bureau would close at the end of the 2008/9 financial year, given their existing financial position and the likely need to change their method of operation. On this basis, the review is unable to explore any options regarding closer joint working or some form of merger between the two Bureaux. The focus is therefore on seeking to ensure that advice services to the Malling part of the Borough are maintained and, if possible, enhanced.
- 3.6 The Tonbridge CAB is best placed to deliver a service across the whole Borough. They already have experience of operating successful outreach services in Snodland, funded by the Snodland Partnership. The precise nature and scope of an extended service provided by the Tonbridge CAB to Malling is not within the remit of this review. However, based on the above findings and given the desire to reduce costs overall, the following parameters for the new service are suggested. These will be used to shape future discussions between the Tonbridge CAB and the Borough Council:
- 3.7 A borough-wide CAB service should ideally comprise:
- a central operational hub based at River Walk Tonbridge with a single manager and support staff for the Borough.
 - development of additional outreach services covering other parts of the Borough based on the use of volunteer advisors supported as necessary by an outreach supervisor.
- 3.8 It is suggested that the Tonbridge CAB seeks to enhance the CAB service currently operating at the Wolfe Centre Snodland to act as an operational base for the Malling area. Financial support from the Snodland Partnership should be sought for enhanced local services.
- 3.9 Additional outreach services at other locations will need to be explored subject to overall cost implications to operate on a peripatetic basis. Where possible, the use of existing (and some potentially free) consultation space should be investigated to reduce costs. This might include use of the Borough Council's reception facility and meeting rooms at Kings Hill (to serve Kings Hill, West Malling and the rural Malling area) and use of Larkfield Library (to serve Larkfield/Leybourne), subject to the agreement of Kent County Council, the future use of the St James Centre in East Malling, once the conversion of the former school to children's centre/community centre is achieved in 2009, and a CAB presence at the Royal British Legion serving the Aylesford area. It will be

for the Tonbridge CAB to decide which locations are most appropriate for delivery of new outreach services and ideally, these should be developed on an incremental basis as opportunities arise and as funding permits. Further outreach services could ultimately be provided in Borough Green and other more rural locations where a need can be identified. In this regard, use of existing premises and the financial support of the relevant Parish Council for the area should be sought.

- 3.10 A fully costed implementation plan for the financial year 2009/10 needs to be drawn up in consultation with Borough Council officers and a formal funding bid be submitted to the Council once those discussions have been completed. This should be submitted by 31st October 2008. A formal service level agreement then needs to be prepared and agreed and funding for the next three year period of operation confirmed.

(b) Age Concern

- 3.11 The two Age Concerns in the Borough for Tonbridge and for Malling each provide a number of core support services for the elderly. Currently, the Borough Council provides support funding to the two Age Concerns via its voluntary and community sector grant scheme. This requires each organisation to bid for funding each year and places a limit on the amounts potentially available to each. For example, for 2008/9, each Age Concern received £2,700, the maximum available under the scheme. This has been the case over a number of years.
- 3.12 The review heard that both Age Concerns were facing a number of financial pressures. They were, however, able to operate a wide range of services on a contractual basis from Kent County Council and others. Additional income was raised via charging for some services and support from parish councils. Both organisations had a retained core staff supplemented by a large number of support volunteers. The sorts of services provided included information and advice, transport, chiropody etc, holidays and trips, postural stability and handyman support. There was some overlap in advice services provided with those of the CABx. However, the service provided by Age Concern was more targeted at older people, provided specialist services such as help with form filling, and, most importantly, visits could be made to the home of the elderly person where travelling proved a difficulty for elderly clients.
- 3.13 It was reported to the review that Age Concerns across West Kent were developing closer working relationships and greater collaboration on back office functions. The intention was to seek to reduce operating costs and improve efficiency by individual Age Concerns each taking responsibility for an administrative function on behalf of them all, thus sharing such responsibilities across West Kent and enabling each to specialise in a certain area. Given that this approach was being developed, there appeared to be little further justification to promote mergers etc between the two Age Concerns operating in Tonbridge and

Malling as suggested at para 2.8 above. There were, however, a number of other issues that could be addressed via this review.

- 3.14 It is clear that the need for each Age Concern to make annual funding bids to the Borough Council is both arduous and provides no certainty on which to plan the development of new services and initiatives. A three year service level agreements between the Borough Council and both Age Concerns would enable greater certainty of funding and could enable the Borough Council to focus its support on more specific issues and actions rather than providing a general financial grant. For example, the health needs of older people is identified in the Borough's Community Strategy as a key issue and joint working between the Borough Council and others, such as the West Kent PCT, might be an effective means of providing more targeted support for achieving specific outcomes for older people. Achieving independence for older people via rehabilitation/intermediate care is also a specific intended outcome of the latest Kent Agreement (NI 125) and delivery against this might also give rise to more effective partnership working locally. If overall voluntary sector funding permits, additional funding to the two Age Concerns should be found over the next three years to achieve such objectives and formal SLAs need to be adopted.

(c) Volunteer Bureaux

- 3.15 Originally, the Borough was covered by a single volunteer bureau but was split between the Malling and Tonbridge areas in 1979 given the different needs of each area.
- 3.16 The core business of each VB is to promote volunteering within their areas of operation. This involves the identification of organisations and others seeking volunteer support and the recruitment of people willing to undertake voluntary work. Participation in regular volunteering is an intended outcome of Kent Agreement 2 (NI 6) and a particular focus locally has been in promoting volunteering amongst residents in the more deprived communities in the Borough. Both Bureaux are funded by the County Council via a three year service level agreement. However, it is not clear how rigorously performance against these SLAs are monitored. A common core service provided by both Bureaux is the volunteer driver scheme which provides transport for vulnerable people, for example, to enable them to attend medical appointments.
- 3.17 The capacity of each Bureau is limited in terms of available staffing and their annual budgets. Monitoring against targets in the Kent Agreement do indicate a difference between the two Bureau, however. In 2007/8, the number of registered volunteers held by Malling VB was only 35 whilst in Tonbridge VB it was 203. In addition, from the presentations given to Review Group, it was clear that there had been a lack of specific focus on the core business of promoting volunteering with more general community development work being undertaken and liaison with county bodies, particularly in the Malling area.

- 3.18 If Kent Agreement targets are to be met locally, there needs to be a significant step change in the work of the bureaux across the Borough. Additional capacity needs to be provided, supported, where possible, by additional funding. However, if additional funding is to be made available, then this needs to be related to actual performance and articulated via a clear service level agreement. An agreement stretching over three years, like that suggested for the Age Concerns, would have the benefit of greater certainty.
- 3.19 Applying the principles set out at para 2.8, the Borough Council should focus its support on the most effective bureau locally, which, based on the above performance figures, is clearly the Tonbridge VB. It should therefore invite the Tonbridge VB to draw up proposals for the delivery of a borough-wide volunteer service along with a clear funding regime for the next three year period. It would be a matter for the Tonbridge VB to organise such services in the most appropriate way and any involvement of the Malling VB would be a matter for the Tonbridge VB Board to consider. The Borough Council should approach Kent County Council to seek their agreement to a joint approach based on the above and should seek to develop a joint three year SLA with the Tonbridge VB for 2009/10 clearly setting out performance targets and with clear mechanisms for joint monitoring and review. If savings can be identified elsewhere as a result of this wider scrutiny review, then some of this could be invested into the development of a more effective volunteer support service for the Borough.

(d) Voluntary Action West Kent

- 3.20 Voluntary Action West Kent is an infrastructure body in place to provide support, advice and training to the voluntary sector across Tunbridge Wells, Sevenoaks and Tonbridge and Malling.
- 3.21 Based on the presentation made to the Review Group, it remains unclear as to which voluntary groups have been supported within the Borough and therefore what added value VAWK has achieved locally.
- 3.22 It was reported that VAWK is financially stable and via grant support and other sources of external funding including the Lottery BASIS fund, they turn over some £750,000 per year. It was reported that given this stability overall, they were not in the business of competing for smaller amounts of funding. Borough Council support for VAWK in recent years has been limited. Funding bids to the Council's voluntary and community sector grant scheme have been submitted, but due to the limits placed on the scheme, and the need to ensure such funding is focused on those who most need support and provide more direct services to the local community, awards to VAWK have been limited, £1475 awarded for 2008/9 for example.

3.23 It is clear from the submissions made to the review group that the level of funding that the Borough Council can offer to VAWK are insignificant compared to their annual turnover. In addition, as noted in section 2.9 (et seq) above, such funding would, on value for money grounds, best be directed to smaller local community and voluntary groups who provide direct support services to local residents rather than to a group who supports other voluntary groups. On this basis and given that the review group heard that VAWK didn't need any financial support from the Borough Council, it is recommended that no further support funding be offered.

(e) Mediation Services

3.24 Mediation services are provided locally by Maidstone Mediation (Malling) and West Kent Mediation (Tonbridge). They provide a range of important and highly valued services locally including mediation to resolve conflicts, restorative justice and anger management. The services cover a range of different situations including schools, disputes between neighbours, domestic/family disputes, ASB and issues within the workplace. Both services therefore work with a wide range of partners and are funded from a variety of sources. The Borough Council provides grant support from the voluntary and community sector grant scheme which for 2008/9 was around £2000 for each organisation although this sometimes varies year on year. Additional grant funding is also provided by the Community Safety Partnership.

3.25 Ideally, it would be appropriate to develop a single service level agreement with one of the two Mediation Services to enable a borough-wide approach to be adopted. Whilst there appears to be little difference between the two organisations in terms of performance, Maidstone Mediation currently provides restorative justice services on behalf of West Kent and therefore already provides a borough-wide services for this aspect of their work. Additional support funding could potentially be made available for a borough-wide service against a three year service level agreement. This could also potentially be shared with the Community Safety Partnership to ensure such services and any financial support for them are properly co-ordinated. If one of the mediation services wishes to act as the single point of contact for borough-wide services, then the expectation would be that it would work jointly with its sister organisation to arrange local service delivery.

4. Future Funding Issues

4.1 The overall conclusion arising from the review is that some significant changes to the configuration of key voluntary services are required. The focus of Borough Council financial grant support to such organisations should best be targeted at direct service provision and measured by clear outputs and outcomes set out in individual service level agreements.

- 4.2 If budgets allow, the Borough Council should seek to invest further in such key organisations. Reconfiguration of CAB services in the Borough might result in some savings when compared to the level of grant previously awarded to the two separate CAB offices. If so, some of this potential saving could be re-invested in support for other key voluntary bodies. The withdrawal of funding from VAWK also generates some minor savings which could be re-invested in direct voluntary services to the community. In addition, given that some of the organisations covered by this review have been previously grant funded from the Council's voluntary and community sector grant scheme, it would be appropriate to top slice some of this annual budget to release funding for the key voluntary sector organisations now to be the subject of service level agreements. For example, a top slice of some £10K could assist in providing additional funding to those voluntary bodies without the need for them to apply to the Council on an ad-hoc, annual basis.
- 4.3 The review cannot be specific about the actual sums involved in providing grant support to the organisations included within this review. Discussions regarding the reconfiguration of CAB services locally have yet to begin and any potential savings have yet to be identified. At this stage, the review should recommend in principle that additional funding for key voluntary sector groups should be sought subject to the outcome of such discussions and subject also to negotiations with partners such as KCC and with the bodies themselves over individual service level agreements. Such processes would need to be completed in time for the 2009/10 financial year.

5. Conclusions and Recommendations

- 5.1 This comprehensive review, undertaken over an eight month period, has come forward with some major proposals for change in respect of the grant support the Council gives to some of its key voluntary groups. In particular, it has sought to achieve a better value for money solution to the funding of such bodies where services are provided separately for Malling and for Tonbridge. The followings recommendations are made :
- (a) **In light of the decision by the Malling CAB to cease operating from 2009/10, the Borough Council invites the Tonbridge CAB, in liaison with Age Concern Malling and other appropriate agencies, to consider detailed plans for providing a borough-wide CAB service based on the issues raised at paras 3.7 to 3.10 above to be developed in consultation with Citizens Advice (CitA).**
 - (b) **Any savings identified as a result of the reconfiguration of CAB services be re-invested in additional support for other key local voluntary bodies, subject to the overall budget position of the Borough Council.**

- (c) The two Age Concerns serving the borough be invited to enter into separate negotiations with the Borough Council over future service provision for a three year period from 2009/10 subject to the terms of agreed service level agreements with each organisation focusing on Kent Agreement targets.**
- (d) The Tonbridge Volunteer Bureau be invited to enter into a three year service level agreement with the Borough Council over the provision of volunteering services for the whole borough from 2009/10.**
- (e) Future grant funding for Voluntary Action West Kent be withdrawn and any savings be re-invested in voluntary services made direct to the community.**
- (f) Maidstone and West Kent Mediation Services be invited to consider which organisation should provide a lead for such services across the Borough and for that organisation to be invited to enter into negotiations on behalf of the other leading to the development of a single service level agreement commencing in 2009/10.**
- (g) A review of the Borough Council's voluntary and community sector grant budget be undertaken to identify the scope for the reallocation of a proportion of this funding to the service level agreements covering Age Concerns, Volunteer Bureaux and Mediation Schemes.**
- (h) Kent County Council be approached with regard to the development of a co-ordinated approach regarding development of the SLAs as noted above and to further explore the potential for support funding being made available to the borough-wide CAB service.**