

**EXECUTIVE – 26TH MARCH 2014**

**REPORT OF DEPUTY CHIEF EXECUTIVE (COMMUNITY DIRECTION)**



Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

**RE: SUPPLEMENTARY BUDGET REQUEST IN RESPECT OF HINCKLEY & BOSWORTH VOLUNTARY AND COMMUNITY SECTOR INFRASTRUCTURE PROVISION AND HUB**

**WARDS AFFECTED: ALL WARDS**

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1. **PURPOSE OF REPORT**

- To seek members support for a supplementary budget request for the next 2 years.

2. **RECOMMENDATION**

- To support the recommendation to approve this supplementary budget for the next two years, 2014/15 – 2015/16, totalling £24,660.

3. **BACKGROUND TO THE REPORT**

- 3.1. A report was presented to Executive Committee on 22<sup>nd</sup> January 2014, setting out the progress and key outcomes arising from the new VCS arrangements, in its first year.
- 3.2. Members acknowledged the good progress made, and specifically the effectiveness of the newly established VCS Commissioning Board, in commissioning work to a broad range of VCS organisations, (including smaller VCS organisations, geographical spread, and range in relation to equalities and diversity), to support and maintain good mental health and wellbeing within our communities.
- 3.3. Following the successful three party partnership to establish the new arrangements during 2013/14, the report proposed that going forward Next Generation continues to be the lead organisation, operating as the VCS infrastructure organisation for the locality, to support the ongoing development of the VCS arrangements. (VCS Infrastructure provision is aimed at supporting the establishment, development and sustainability of front line VCS service delivery organisations, and brokering effective joint working between the VCS and the public sector). Please note, CAHB will continue to engage with the new arrangements alongside all other VCS organisations.
- 3.4. N.B. It was also proposed that HBBC will continue to engage CAHB to deliver the community development/cohesion work, and delivery of services via Wykin Community House, as part of a separate SLA to these VCS arrangements.
- 3.5. The report also outlined the proposals for ongoing development of arrangements during 2014/15, including:

- i). Broadening the membership of the VCS Forum and specifically engaging smaller VCS organisations. The role of the Forum in enhancing learning and development, collaboration, communication, and becoming a key mechanism for listening to and capturing the voice of the local people of the Borough, will be paramount in securing sustainability of the VCS within this locality.
  - ii). Through the Forum, supporting the VCS to represent itself effectively at HBBC/locality key delivery partnerships/forums to articulate the VCS offer, enabling a greater understanding of the collective offer of both the statutory and VCS sector, and opportunities for improved collaborative working.
  - iii). Enable the VCS to position itself effectively for emerging commissioning opportunities, not just via HBBC, but other statutory sectors such as the Clinical Commissioning Groups.
- 3.8. The Executive report recommended that members support the proposals for going forward, including sustaining the agreed funding arrangements. Specifically that the funding arrangements should remain as that agreed for 2013/14, as follows:
- 50% of the costs of each of the Community Houses, which equates to £72,500, be off set by income from the HRA, (with £32,000 ring fenced for the delivery of services for Wykin Community House, via a separate SLA with CAHB). The subsequent savings arising from the General Fund, £40,500, to be ring fenced as a development fund to support the development of the VCS arrangements. ***(Please see Appendix 1 setting out funding sources and allocation in diagram format).***
- 3.9. At the Executive meeting on 22<sup>nd</sup> January 2014 Members approved the recommendations for supporting the ongoing development of the VCS arrangements for 2014/15, including the funding arrangements. **Members also recommended that there should be a review of the funding allocation**, to ensure sufficient funds are in place for the growth and sustainability of our locality arrangements, specifically in light of the impact of the County Council cuts being levied at the voluntary and community sector.
- 3.10. Subsequently, on 4<sup>th</sup> February 2014, a review meeting took place between HBBC (Edwina Grant and Bill Cullen in attendance) with NG lead officers and Trustee representatives including the NG Chair and Treasurer, in their capacity as the VCS Infrastructure body. The purpose of the meetings was to establish the budgetary position of NG for 2014/15, in undertaking the VCS infrastructure provision and the developments required, alongside the broader priorities and business planning process of their organisation.
- 3.11. It was agreed that the priority work streams in delivering the VCS infrastructure role should focus on the ongoing development of the VCS Forum and Commissioning Board arrangements, including all administration, monitoring and review arrangements. As part of these arrangements it was agreed that the ongoing development and maintenance of the VCS database, currently at 1200 entrants, will be a priority in securing increased Forum membership.
- 3.12. In order to deliver the VCS infrastructure provision, and the improvements planned for 2014/15, the Treasurer for NG confirmed they needed to secure an annual budget of at least £60k for this work. **Therefore, additional funds of £12,330 are sought for 2014/15.** (NG report and financial statements for year ended 31<sup>st</sup> March 2013 have been made available).

- 3.13. At this review meeting with NG, it was proposed that during 2014/15, a clear branding be established for the VCS arrangements and VCS infrastructure provision, distinct from NG core business.
- 3.14. NG will continue to develop their broader business plan, in the context of decreasing reserves, which will include options for the use of the NG building which they currently own. Options could include seeking to raise income by charging competitive room hire rates to VCS, statutory and private sector organisations. Currently NG provide a free to use venue for a number of VCS partners including Clockwise Credit Union, Probation Service, Victim Support Service, and Hinckley Bereavement Support Group.
- 3.15. A further option is for NG to relocate and release funds from this capital asset, however, this could impact significantly on the ambition of establishing a town centre VCS community hub, offering a range of provision, such as: recruitment of volunteers, a conducive venue for partner agency outreach workers, a base from which VCS groups can deliver services particularly for the most vulnerable, etc.
- 3.16. It is within this context that Members support is sought in **securing a two year commitment** for the additional funds requested - **£12,330 p.a. totaling £24,660** to develop and establish sustainable VCS arrangements for the locality.
- 3.17. It is recognised that going forward the authority may be required to put out to open competition, the opportunity for other organisations to bid for the delivery of the VCS infrastructure arrangements. However, in retaining some immediate continuity and acceleration in development of the arrangements, it is recommended that this remains with NG during 2014/15.

#### **4.0. FINANCIAL IMPLICATIONS (SJE)**

- 4.1 The Executive Committee report of 22<sup>nd</sup> January 2014 recommended that funding arrangements for 2014/15 should remain as that agreed for 2013/14. Therefore, the following budgets are in place for 2014/15:
- £27,670 General grant expenditure budget for VCS infrastructure provision
  - £40,500 VCS general fund expenditure budget to support the development of the VCS arrangements.
  - £72,500 HRA expenditure budget to fund Community Houses with the general fund
  - £32,000 Income budget to reflect the receipt of income from the HRA to fund the delivery of services for Wykin Community House
  - £40,500 Income budgets to reflect the receipt of income from the HRA to fund the delivery of services for both Barwell and Earl Shilton Community Houses (£20,250 each).
- 4.2 Funding for the Community Houses from the HRA is permitted under the HRA ring fence, on the basis that the property is within the HRA and the provision serves Council tenants. Any additional allocation of funding which is not provided solely for this purpose should be reviewed further to ensure compliance with the ring-fence.
- 4.3 A supplementary budget request is sought for £12,330 in 2014/15. When combined with £27,670 general grant for VCS infrastructure provision, and £20,000 development fund (part of £40,500 general fund expenditure), a total annual budget would be available of £60,000. This would be used in VCS infrastructure delivery & VCS Hub management. The remaining £20,500 would be used by the Locality Commissioning Board for the VCS.

4.4 The Financial Procedure Rules indicate that a supplementary of between £10,001 and £25,000 be approved by the Chief Executive in consultation with the Deputy Chief Executive (Corporate Direction). The supplementary budget will be funded from general fund balances.

4.5 It should be noted that this supplementary budget of £12,330 would need to be included as part of the 2015/16 budget preparation process to secure a two year commitment.

5.0. **LEGAL IMPLICATIONS (MR)**

5.1. The Council’s involvement in VCS would seem to fall squarely within the powers granted by the Local Government Act 2000 to promote or improve the economic and social well-being of its area

6.0. **CORPORATE PLAN IMPLICATIONS**

The contents of the report relate to and support the following strategic aims:

- Cleaner and Greener Neighbourhoods
- Thriving Economy
- Safer and Healthier Borough
- Strong and distinctive communities

7.0. **CONSULTATION**

This report has taken account of the ongoing consultation undertaken by NGCC and CAHB in establishing a comprehensive VCS database and Directory, to inform the development of the VCS Forum and Commissioning Board, and the proposals for 2014/15.

10. **RISK IMPLICATIONS**

It is the Council’s policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer’s opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Lack of sustainability of key VCS organisations within Hinckley and Bosworth, resulting in no VCS infrastructure arrangements within the locality	Development and sustainability of the H&B VCS locality arrangements	Edwina Grant

11. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

The utilisation of up to date evidence sources and data, informed via the VCS Forum, VCS Commissioning Board, and VCS database, has helped to inform the need to sustain the VCS arrangements within Hinckley and Bosworth, specifically in supporting our most vulnerable communities, and to focus resources on priority needs across all areas of the Borough, including rural Hinckley and Bosworth.

12. **CORPORATE IMPLICATIONS**

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

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Background papers: None

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