

## FURTHER SUPPORT TO VOLUNTARY ORGANISATIONS 2012/13 FINANCIAL YEAR

<b>Cabinet Member</b>	Cllr Douglas Mills
<b>Cabinet Portfolio</b>	Improvement Partnerships and Community Safety
<b>Officer Contact</b>	Kevin Byrne, Nigel Cramb, Central Services
<b>Papers with report</b>	Appendix A HAVS letter of 20 <sup>th</sup> December 2011 Appendix B Equality Impact Assessment Appendix C Assessment of Grant Applications

### HEADLINE INFORMATION

<b>Summary</b>	To agree specific proposals to take forward the Council's support for the voluntary sector in 2012/13.
<b>Contribution to our plans and strategies</b>	Voluntary organisations support the Council in achieving its priorities and objectives including those in the Sustainable Community Strategy.
<b>Financial Cost</b>	Cabinet on the 15 <sup>th</sup> December 2011 confirmed continued investment of £1.415m in the voluntary and community sector for 2012/13 and in addition growth of £400k subject to approval of overall budget in February 2012. This report details proposals which would account for £265k of this additional allocation. This will leave an unallocated balance of £135k, which will be able to be drawn upon throughout the year to fund any priorities which arise through the year.
<b>Relevant Policy Overview Committee</b>	Corporate Services and Partnerships Policy Overview Committee
<b>Ward(s) affected</b>	All.

## **RECOMMENDATIONS:**

**That in support of the Council's overall priorities for voluntary sector in Hillingdon the following decisions be made, subject to the approval by Council on 23 February 2012 of the additional £400k priority growth allocation to the voluntary sector, Cabinet agree:**

- 1) The broad principles for the operation of a new small grants programme of £50k for one-off development awards in 2012/13 and to delegate authority to the Cabinet Member for Improvement, Partnerships and Community Safety, in consultation with the Deputy Chief Executive and Corporate Director for Central Services, to oversee and make all necessary decisions on the operation of the programme, including the award of such small grants;**
- 2) To improve services for victims of Domestic Violence in the borough by:
  - a) Approving the application from Hestia and to develop the refuge based service into a wider community based service for children who are victims of Domestic Violence and;**
  - b) Approving to fund EACH £30k to continue to provide the Pukaar culturally sensitive domestic violence counselling and advocacy service in Hillingdon.****
- 3) The new approach to monitoring and ensuring value for money as set out in the report;**
- 4) To reduce the annual core grant to Hillingdon Association of Voluntary Services by 50%, subject to three months notice, effective from 1st May 2012;**
- 5) To fund Age UK Hillingdon to deliver volunteering services for older people of £21k, a one year pilot "Making the right move" programme of up to £24k and up to £10k towards developing the "Care to work" initiative and;**
- 6) To fund the WRVS scheme to support sufferers of dementia of £50k in 2012/13, with a view to reducing support in subsequent years.**

## **INFORMATION**

### **Reasons for recommendations**

The Council reaffirmed its long term financial support for the Borough's voluntary sector at its December Cabinet and agreed a budget of over £1.4m for expenditure in 2012/13 and proposed additional growth of £400k within the Council's overall budget for 2012.13. This report brings back further details in respect of a number of specific issues for decision.

### **Alternative options considered / risk management**

The Cabinet may choose to reject or delay any of the recommendations or to commission further details on alternative options.

### **Comments of Policy Overview Committee**

The Council support for the voluntary sector and the programme set out in December 2011 is being considered by the Corporate Services and Partnerships Policy Overview Committee at its meeting on 18<sup>th</sup> January 2012.

## **Supporting Information**

At its meeting on the 15<sup>th</sup> December 2011, Cabinet reaffirmed the Council's overall commitments to the voluntary sector in Hillingdon and announced a programme of specific core grants to organisations totalling over £1.4m. At the same meeting, Cabinet considered the draft Council budget for 2012/13 which proposed additional investment of £400k and some priority areas for development of front line voluntary sector services to support residents. The Cabinet instructed officers, in conjunction with the Cabinet Member for Improvement, Partnerships and Community Safety, to report on:

1. The creation of a new small grants development programme of £50k
2. Proposals to improve services for victims of domestic violence.
3. Develop a new approach to ensuring value for money and strengthening the outcomes for residents through an improved monitoring process.
4. The level of funding to be offered to Hillingdon Association of Voluntary Services for the 2012/13 financial year
5. Increased support for Age UK Hillingdon to meet the Council's priorities for older people.
6. A bid from WRVS for funding towards a Dementia support initiative.

### **1. Small Grants Development Programme**

Cabinet agreed at its December 2011 meeting to establish a new Voluntary Sector small grant development programme of up to £50k per year. The scheme will run in conjunction with and complement the overall core grants funding scheme.

The key purpose of the small grants budget is to enable borough based voluntary groups to access a source of funding which will enable organisations to develop services that will ultimately benefit and support the boroughs residents. The small grants programme will support one-off development projects from local voluntary groups. Grants awarded from the programme will generally be awarded at a lower level than those used to support core activities.

The intention is to develop a flexible accessible source of funding which enables organisations to trial and explore new initiatives; develop services into new areas and potentially to modernise the organisation. The programme is not intended to meet shortfalls in organisation's annual running costs.

Officers have drawn upon the experience of the successful small grants programme managed by Hillingdon Community Trust in developing the approach. Guidance and criteria will be developed in preparation for the new financial year. Applications will be invited during period from April 2012 to end of June 2012 and assessed against achievement of one or more of the following priorities:

- Support will be offered to help groups explore mergers, collaboration, transformational change and holistic approaches which will enhance their impact.
- Seek to develop, trial or pilot projects where the intention of the organisation is to develop the initiative into a permanent service if the trial is successful.
- Priority would be given to groups working with directorates to meet commonly identified needs and Council priorities.
- Support newly emerging needs in the borough, for instance after a particular event or change in demography, or policy, or where previous support was insufficient.

### **Process**

Awards are for one-off funding and should not be viewed as replacement for core funding which will be considered separately. Small grants are available up to a maximum payment of £2.5K

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per organisation. The final eligibility criteria, guidance advice and application process is being developed.

The intention is to be flexible and responsive. Officers' recommendations on applications will be determined at the end of June 2012 by the Cabinet Member for Improvement Partnerships and Community Safety.

## **2. Improving Services for victims of domestic violence**

The Council has received a range of requests from organisations looking to develop services to support residents who find themselves victims of domestic violence. Hillingdon's Domestic Violence Action Forum provides a strategic steer with partners with regards to priorities and needs in terms of overall support for victims of domestic violence.

The Council funds and manages an Independent Domestic Violence Advocacy Service (IDVA). The IDVA service exists to risk assess, safety plan and advocate on behalf of high risk victims of domestic violence and their children. IDVA is a crisis service so relies upon working closely with other partner agencies and voluntary sector organisations to support victims of domestic violence with their ongoing needs. The IDVA is also able to provide feedback to the DV Action forum on local needs.

The work of the DV Action Forum has identified the current gaps in provision in the Borough:

- **Support services for children who have experienced domestic violence**

Currently there is no comprehensive service available in the borough to support children who have experienced domestic violence. There are some services provided from grant funding being delivered through the voluntary sector but these are limited and not long term.

- **Specific support to meet the therapeutic needs of women from black and minority ethnic (BME) backgrounds**

Due to reductions in funding from London Council's the service provided in the borough which helped to specifically meet the therapeutic needs of women from BME backgrounds is no longer available. This has left a gap in service provision, which has been highlighted within the Domestic Violence Action Forum's action plan as a priority.

### **Recommendations**

#### **Services for children experiencing domestic violence (DV)**

Hestia provides a floating support service for victims of DV in the borough who are not accommodated within the refuge. A funding application has been received to provide a support service specifically for children within the refuge however, using their existing experience and expertise in the floating support service, there is an opportunity to expand this work more widely to cover children's services. **It is recommended, therefore, to support the proposal from Hestia and develop the refuge based service into a wider community based service for children who are victims of DV and award core grant of up to £45K.**

#### **Specific therapeutic counselling services for BME women.**

"Pukaar", a project run by EACH, has made a substantial contribution to meeting the needs of domestic violence victims in the borough. They deliver a culturally sensitive counselling and support service for particularly vulnerable women. As well as being at

high risk of domestic violence and abuse, the women the 'Pukaar' project focuses on often face and experience additional challenges such as language, cultural and family pressures and sometimes forced marriages. Pukaar has contributed extensively to the objectives in Hillingdon's Domestic Violence strategy and Action Plan and has provided specialist support and expertise to the Advocacy and Support subgroup. **It is recommended, therefore, that EACH be awarded £30,000 to continue with the culturally sensitive domestic violence counselling and advocacy service to meet the specific needs of women from black and minority ethnic communities.**

### **3. Improved Monitoring Arrangements**

The Council intends to develop a new approach to ensuring value for money and strengthening the outcomes for residents through improved monitoring process for core grants. The objective is to maximise the use of core grant to the benefit of residents, without imposing overly bureaucratic processes on the voluntary sector.

#### **Current practice**

All organisations seeking core grant support from the Council are required to complete a comprehensive application form, which is used to determine the level of funding to be offered for the forthcoming financial year.

All organisations in receipt of financial support via the core grants budget are governed by standard terms and conditions. These relate, broadly, to:

- **Financial requirements;** robust financial management arrangements, the production of annual accounts, financial reserves policy, adequate levels of professional and public liability insurance,
- **Management and governance requirements;** including the requirement to have a formally constituted management committee or board of trustees and appointed officers.
- **Reporting requirements** including the production of a range of specific reports including annual report; annual users' satisfaction survey, a business plan and a risk strategy.

#### **Specific Aims**

Each organisation is also set a number of series of 'specific aims' in relation to their core grant setting out what the council expects the grant to help achieve. These are agreed annually and reflect either new developments or new priorities.

These 'specific aims' are the focus of the annual monitoring discussion. Additionally organisations are required to submit detailed monitoring information.

#### **Review**

Whilst the current arrangements work well there are areas where these arrangements can be improved further to assure the Council that organisations deliver value for money and that this is evidenced.

#### **Proposals**

##### **Value for money**

It is proposed that the grant application process is enhanced to give organisations the opportunity to explain/justify the previous financial awards in terms of value for money. In addition to the use of Council funding to secure additional external funding, the Council would

expect organisations to provide evidence of strong financial management and efficiency and effectiveness measures being implemented.

Organisations will also be asked to provide a more detailed justification as to the level of reserves carried. The Council fully acknowledges the need for organisations to plan for unforeseen eventualities and to ensure that adequate reserves are in place to meet future liabilities. The level of reserves will vary from organisation to organisation, however whilst each organisation's circumstances will be unique the level of reserves needs to be in proportion to liabilities and crucially needs to reflect the level of risk an organisation faces.

The Council is keen to support volunteering both as a way of encouraging community activity and as a way of maximising the impact of available resources. Organisations will therefore be asked to provide more details of the use of volunteers and to demonstrate how it is using volunteers to improve services further.

## **Standard terms and conditions**

### **Increased monitoring**

The current level of monitoring report, together with the specific aims is usually adequate for monitoring purposes. To improve the effectiveness of monitoring and to enable the Council to support organisations that may be facing some difficulties it is proposed to introduce a requirement for organisations to submit either six monthly or quarterly monitoring information if requested.

### **Audit**

Additionally, the standard terms and conditions will be amended to give the Council the right to undertake an audit of organisation's accounts, if it so chooses. This is considered an appropriate recourse and again strengthens and safeguards the Council's ability to monitor the use of public funds. Groups will also be prohibited from using their grant to support political objectives including lobbying.

### **Specific Aims**

The Council will continue to develop the approach of agreeing "specific aims" with grant recipients as a way of setting annual targets and encouraging the development of new initiatives as well as a means of managing and monitoring the performance particularly of the larger grants.

It is proposed that for the 2013/14 financial application process that progress against the agreed specific aims will be included in the report that is submitted to Cabinet, on a met, not met or partially met basis.

This package of proposals serves both to strengthen the Council's position with regard to monitoring; and also provide additional means by which to assess value for money but at the same time not being over bureaucratic and burdensome on our partners in the voluntary sector and therefore not detracting them from their primary function of supporting our residents.

## **4. Hillingdon Association of Voluntary Services (HAVS)**

The Council has consulted HAVS to assess the impact of what a reduction in HAVS core funding of up to 25% and 50% in 2012/13 would mean to Hillingdon's voluntary sector and in turn residents. HAVS response is included in full at Appendix A. In addition, in line with the Council's public duties in relation to equalities a full impact assessment of the potential reduction is set out at Appendix B.

Hillingdon Council has stated that it wishes to prioritise investment in front line voluntary services which directly benefit residents and to withdraw support from organisations offering help to other organisations or “Tier 2” bodies.

In 2011/2012, HAVS received £90k in core grants to fund staff salaries including specifically an allocation of £25k for the volunteer centre.

In addition HAVS administer a small participation fund of £2,000 to support the costs of participation by vulnerable groups in events and fora. It is proposed that this should continue.

HAVS has indicated that a reduction in funding of 50% would require the organisation to draw on its reserves and then require it to close, estimated as necessary within 12-18 months. HAVS also estimates that a reduction of up to 25% would require significant down scaling of the existing operation but this is stated in terms of reduced costs and reduced activity rather than services to groups or residents.

The key issues raised in the consultation are, in summary, that a reduction in funding would lead to:

- Reduced ability in the sector to bid for external money, perhaps where local authorities may not be eligible to bid, for example through the National Lottery schemes.
- Reduced capacity to support development of voluntary sector organisations, especially smaller groups. Six organisations have written in support of HAVS from a membership of 421.
- Reduced support on quality standards such as PQASSO and Investing in People which help groups in turn bid for external funds.
- Reduced volunteering support activity given that HAVS is the main source for uploading opportunities to the “Do-it.org” website from Hillingdon. It is possible that the majority of Hillingdon based opportunities posted on the “Do-it .org” website may need to be posted via an alternative organisation and transitional arrangements established.
- HAVS, together with other West London CVS’s, has a bid pending for support from Government under the Transforming Infrastructure Fund, which is due to be decided on in January 2012. This would potentially bring £150k investment to Hillingdon to support external bidding and tendering. It is not clear how a reduced core grant to HAVS would impact on this opportunity.
- HAVS is in effect the anchor tenant at Key House which is owned and run by the Key House Trust as a resource centre for the Boroughs’ voluntary sector.

A reduction in 50% would result in a grant of £48,750 for the 2012/13 financial year (any reduction should apply from 1<sup>st</sup> May if notice is provided by 1<sup>st</sup> February, based on 1 month at £90k and 11 at £45k the total core grant for 2012/13 would be £48.75k.). This will have an impact on the organisation and potentially on the range of services provided. The submission from HAVS states clearly that it cannot survive beyond 12-18 months if core funding is reduced by 50%.

The Council particularly values some of the services HAVS provides and officers would be looking to work with the HAVS management board and provide support whilst the organisation

refocuses and transforms to incorporate the change in finance. The Council would like to engage with HAVS to focus on services which offer best value for residents, especially the support available for new groups seeking to establish and set up and on effective volunteering arrangements.

In the response to the proposal to reduce funding HAVS raise the issue of a reduction in funding having an impact on the Transforming Infrastructure Fund bid. The bid has been submitted and there is no reason to assume that it will not be successful. If the bid is successful it is another area of where the Council and HAVS can work together to ensure a positive outcome.

HAVS have announced that the current Chief Executive is leaving at the end of January and this may present an opportunity to bring forward transformation of the organisation. Whilst a reduction in funding is never welcomed the Council believes there is scope during 2012/13 based on a reduced grant to work with HAVS to focus on a range of priorities.

There is no clear evidence presented on the impact on voluntary groups or residents of reduced core funding, for example in respect of quality standards support or small groups support, so it is difficult to measure the true impact and judge how this might be mitigated where desired.

The Cabinet is recommended, therefore, to proceed with its stated intention of moving away from support to "tier 2" groups and to reduce the core grant to HAVS for 2012/13 by 50%.

An Impact Assessment has been completed at Annex B to identify the consequences of a reduction and to point to mitigating action where appropriate.

## 5. Age UK Hillingdon

In December in line with the Council's priority to provide independence and support for older people an increase to Age UK Hillingdon was agreed. The increase formalised the funding within the core grant for the support the organisation provides to older residents experiencing financial difficulties due to the current economic climate. In addition to this support, officers have been in discussion with Age UK regarding other challenges currently facing older residents and to increase capacity locally of volunteers to support older people.

Age UK has identified three schemes to meet the priorities for older people. The first seeks to build volunteering capacity by recruiting and co-ordinating a **network of volunteers** to support older people at a cost of £21k .

The second scheme '**Making the right move**' serves to assist older people to move to more appropriate accommodation. It seeks to address the range of issues older people encounter when they face the challenge of moving home in later life. Age UK have identified that for many older people the challenge of moving home is just too daunting and therefore many remain in accommodation that they can no longer maintain or is just impractical in terms of size. The service Age UK are proposing will offer;

- Guidance on the options available on a case by case basis
- Practical and emotional support during the lead up to the move
- Support during the settling in to the new accommodation period.

The scheme could provide significant support to a number of older residents and assist them to move to more suitable accommodation. Officers are currently discussing with Age UK the practicalities of piloting this project to ascertain the levels of take up. The pilot approach would



also enable the opportunity to explore whether links with organisations that provide housing for older people can be established.

The third project Age UK is proposing focuses on the employment of older people. Age UK feel that despite legislation against age discrimination in the workplace, older workers are still being targeted for redundancy and are more likely to fail in getting back into work. Often they use their 'redundancy lump sum' to live on whilst they are unemployed, reducing the amount they would have had to live on when they reach pensionable age. Those in this position advise Age UK that the Job Centre Plus environment is not always suitable for older people and they need specialist advice to help access work.

In Hillingdon there is a shortage of skilled and experienced staff working in the health and social care sector, care agencies have great difficulty recruiting people to work in the north of the borough. Officers have been working with Age UK Hillingdon and Uxbridge College on a '**Care to work**' initiative. The proposal is for Uxbridge College to run a bespoke pilot event, and Age UK will promote it. The target audience are borough residents aged 50+ interested in retraining to work in the care sector. The event will give an overview of the training course, work placements and opportunities for employment/business development.

There are a number of Care providers already working with Hillingdon Adult Social Care and Housing who have a number of vacancies in this field.

As with the Making the right move scheme it is proposed to pilot Care to work to assess the demand and to develop links with Care providers to assist with recruitment of people completing the training and who express an interest in gaining employment in this sector.

**It is recommended to fund Age UK Hillingdon to deliver volunteering services for older people of £21k, a one year pilot "Making the right move" programme of up to £24k and up to £10k towards developing the "Care to work" initiative.**

It is anticipated that the Making the right move and Care to work pilots will commence early in the new financial year and that officers together with Age UK Hillingdon will assess the outcomes. If successful, proposals for full schemes will be developed and the funding requirements agreed with the Leader of the Council and the Cabinet Member for Improvement Partnerships and Community Safety.

## **6. WRVS**

Social Care and Housing have been working with the WRVS (Women's Royal Voluntary Service) on a scheme to develop services for people with dementia in the borough.

As was reported at the December Cabinet meeting the WRVS were in the process of submitting a bid for funding. This bid has now been received and there is support for this bid.

In summary the WRVS are seeking to provide a flexible and responsive service to people with dementia and their families. The objective is to provide a community based service which supports people to remain in their homes longer, rather than the alternative of residential care or hospitalisation.

The scheme will utilise the significant numbers of active volunteers the WRVS already engages with and provide a focal point for recruiting further local volunteers. Up to 50 volunteers will be trained to work on the dementia mentoring and befriending service.

**It is recommended to agree funding of WRVS scheme to support sufferers of dementia of £50k in 2012/13, with a view to reducing support subsequent years.**

### **Next steps**

Cabinet on 15th December 2011 agreed a significant level of investment in the borough's voluntary and community sector of over £1.4m, with a budget proposal for an additional £400k investment in this area. The commitments in the December report together with the recommendation of this report are summarised below:

<b>Awards</b>	<b>Amount</b>
December Cabinet Including £50K small grants scheme	£1,449,058
Domestic Violence projects	
Hestia	£45,000
Each	£30,000
HAVS core grant	£48,750
HAVS participation fund	£2,000
Age UK	
Building volunteering capacity	£21,000
Making the right move	£24,000
Care to work	£10,000
WRVS Dementia support	£50,000
<b>Commitment to date</b>	<b>£1,679,808</b>
<b>Total 2012/13 budget</b>	<b>£1,815,058</b>
Balance	£135,250

The Council has stated that it is not intended that additional funds should be used as an across the board increase but should be targeted at areas of greatest need and where support for the voluntary sector will alleviate pressure on council services and meet local front line needs.

The balance of £135,250 of the proposed unallocated growth funding will be held back to support priorities that arise during the year.

### **Financial Implications**

Cabinet on the 15<sup>th</sup> December agreed investment of £1.415m in the voluntary and community sector for 2012/13. At the same meeting the draft Council Budget was considered which proposed an additional £400k of priority growth for the voluntary sector. This report details proposals which would account for £265k of this allocation. This will leave an unallocated balance of £135k, which will be able to be drawn upon throughout the year to fund any priorities which arise through the year. The specific financial implications for each proposal are detailed in the body of the report.

## **EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

### **What will be the effect of the recommendation?**

The overall effect of these proposals will be to strengthen and support Hillingdon's voluntary sector with new growth and initiatives, which will directly benefit residents.

The proposed reduction in HAVS funding will impact on the viability of the organisation.

### **Consultation Carried Out or Required**

The proposed reduction in HAVS funding will impact on the organisation the implications of this have been subject to consultation with HAVS and a written response is included at Appendix A

## **CORPORATE IMPLICATIONS**

### **Corporate Finance**

Corporate Finance has reviewed this report and confirms that the budget and financial implications are as stated. The Council's budget to be considered at Cabinet in February and to be agreed at Council in February contains a proposal to increase funding to the voluntary sector by £400k, which if agreed could fund the proposals contained within this report.

The recommendation to improve monitoring arrangements and provide additional means to assess value for money will strengthen the Councils position in these functions.

### **Legal**

The power to make the various grant payments set out in the report can be found in Part I of the Local Government Act 2000. Section 2 of this Act provides that every local authority has the power to do anything which it considers is likely to promote or improve the economic, social or environmental well-being of its area.

The power under section 2 includes power for a local authority to incur expenditure and give financial assistance to any person.

The well-being power, as it is known, is to be repealed in England by the Localism Act 2011 and it will be replaced by a general power of competence with effect from April 2012.

The general power of competence is intended to increase the power of local authorities and it will give them the power to do anything that individuals may generally do. It will include the power for the Council to make grant payments to voluntary organisations and it will therefore replace the well-being power.

Finally, the fourth recommendation in the report is to reduce the annual core grant to Hillingdon Association of Voluntary Services by 50%. Cabinet will note that officers have undertaken an equalities impact assessment in respect of this proposed reduction in accordance with the requirements of the Equality Act 2010.

### **Relevant Service Groups**

Service departments have also been consulted on the proposals.

## **BACKGROUND PAPERS**

Cabinet report 15 December 2011

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20<sup>th</sup> December, 2011

Dear Kevin,

### **The Case for Supporting HAVS / Local Infrastructure**

In response to your letter dated 2nd December I am now able to reply in detail.

While it is laudable that the local authority wishes to support Hillingdon residents, Members do seem to have missed the point that Hillingdon residents are supported from the range of voluntary & community groups in the borough who in turn are supported by local infrastructure organisations such as HAVS.

In your letter you state:

*“We have discussed the issue with Members who have indicated that they wish to pursue a reduction in support for what we regard as second tier organisations.”*

You agreed at our subsequent meeting on 7<sup>th</sup> December that HAVS was in fact the only second tier organisation in the Borough funded by the authority so that in fact it was specifically HAVS being reviewed rather than a generic approach. An uninformed reader may of course have thought otherwise.

You also agreed that in hindsight, it would have been beneficial if your paper presented to the Hillingdon Partners (LSP) in December on volunteering in the Borough had first been run past ourselves so that we could have corrected errors. The paper discussed the merits of the “Do it” Website for volunteering but did not report it was in fact HAVS who are responsible for entering the data. This appeared to come as a surprise to you.

You also stated at our meeting on 7<sup>th</sup> that Members were not aware of the work of HAVS or our modernisation progress. I challenged this statement as we report formally on an annual basis both in writing and verbally. I have also kept the authority informed of our modernisation plans at the regular monthly meetings with Ian Edwards while he was in post. I have offered to meet you on a similar basis.

## Context

From your comments that it is the intention of the Council to support front line voluntary & community groups rather than second tier infrastructure organisations it would be beneficial and for the avoidance of doubt to first outline exactly what a local infrastructure organisation (LIO) is and does.

**"Local infrastructure organisations (LIOS) work behind the scenes to ensure that local third sector groups and organisations get the support they need". NAVCA**

HAVS provide development support and is 'the voice of the local third sector'. Essentially we work to strengthen the basic framework or foundation needed for the voluntary and community sector (VCS) to function well. Local Infrastructure Organisations exist in every urban and rural area in England and they help the local VCS in a variety of ways:

- Identifying and filling the gaps
- Raising standards
- Enabling communication and collaboration
- Providing a voice for the local VCS
- Promoting strategic involvement

**"Infrastructure services do vital work to help voluntary and community groups achieve their aims, through services such as training, providing information, representing community groups' interests, supporting networks and sharing good practice". The Big Lottery Fund, BASIS programme.**

HAVS provides infrastructure support by building on the services and facilities that are necessary for community groups and voluntary organisations to develop. Although differing in both size and character, each HAVS member is in touch with numerous and sometimes hundreds of their individual members and communities that provide vital community services, regenerate neighbourhoods, promote volunteering and tackle discrimination in partnership with local public bodies.

The importance of second tier organisations such as HAVS is recognised by central government and enshrined in the Big Society programme.

**"We want people to have more power and responsibility for their own lives, the community they live in and the services they use. This Big Society vision underlies an ambitious plan to transfer real power to communities; open up the public services and encourage more social action. That process will present local charities, social enterprises and community organisations with many new opportunities to improve people's lives whether it be by giving voice or delivering services. This scale of change is challenging and we want to be sure that 'frontline' civil society organisations receive the best possible local support.**

**We have a large network of so called 'infrastructure' organisations that provide support, networking and volunteer brokerage. Our consultation (Cabinet Office) showed how valued the 'best in class' are to the communities they serve. ...."**

Nick Hurd MP, Minister for Civil Society

In addition to the political support for organisations such as HAVS the value has been subject of academic study. One such study –*Measuring the impact of third sector infrastructure organisations* by Peter Wells and Chris Dayson, CRESR, Sheffield Hallam University also concluded:

“Local infrastructure organisations (LIOs) take many shapes and forms but they generally exist to serve a common purpose - to ensure that local third sector organisations get the advice, support and representation they need to improve the circumstances of the people and communities they work with. LIOs do this in a number of ways:

they identify and fill the gaps in existing provision by monitoring the services provided by the third sector in its local area, and working with new and existing groups to address unmet needs in their communities.

they raise standards by providing access to information, advice and support to local groups and organisations in order that they have the knowledge, skills and resources they need to support the local community.

they enable communication and collaboration by encouraging local groups and organisations to share resources and to work collaboratively, and establish forums for networking where they can share good practice and form partnerships through which new activity can be developed.

they provide a voice through which the diverse views of local groups and organisations can be represented to local public sector bodies. They also enable two-way communication and consultation so that the local sector can be consulted on and contribute to policy developments and decision-making.

they promote strategic involvement in local policy making and planning, ensuring that the sector is represented and involved in local decision making bodies, and actively work with representatives to ensure they keep on top of key local issues.”

It therefore seems at odds that while the Government, major funders and academics support the basis of second tier, infrastructure organisations the local authority are considering massive and disproportionate funding cuts. The proposal is contrary to the thrust of the Big Society & the Localism Bill.

## **Benchmarking**

With the extensive cuts from the local authority to the voluntary & community sector for 2011/12, HAVS saw its core grant cut by 15%. This was in addition to the 100% cut from PCT/LBH funding for Health & Social Care work and 100% cut from central government for our Capacity Building work via Capacity Builders. The proposed cut of an additional 50% would therefore equate to a massive 65% in core funding and not accounting for inflation, rise in VAT etc.

By comparison other neighbouring local authorities have reviewed their funding to their CVS and where CVS were closed (Brent, Harrow, Hounslow), the local authorities are now looking to reinstate having recognised the gaps that closure left.

Research of funding intentions for neighbouring CVS from local authorities for core funding as revealed for 2012/13:

*Ealing* £138,000 for core & volunteer centre plus a further £60,000 for Community Networking  
**£198,000**

*Hounslow CVS* £76,000 + £31,000 for Volunteer Centre, guaranteed for 3 years  
**£107,000**

*Harrow* – Re-establishing a CVS/Volunteer Centre -estimate based on current interim 3 day service  
**£112,000**

*Westminster* £145,000 for CVS + £90,000 for Volunteer Centre, guaranteed for 3 years  
**£235,000**

*Richmond CVC+* Volunteer Centre + Capacity Building, guaranteed for 3 years  
**£230,000**

*Hammersmith & Fulham* £138,000 for CVC+ Volunteer Centre (est. £60,000)  
**£198,000**

Clearly with HAVS currently providing all the services of a Volunteer Centre and CVS for £92,000 (including Participation Fund) this is already exceptional value for money, reducing to **£45,000** is not sustainable.

## Satisfaction Rating

Despite the already significant cuts and resultant loss of staff, HAVS has continued to provide high quality services. In addition the impact for local groups with the funding cuts from 2011/12 has seen a significant increase in demand for our services. To cut HAVS funding again would be a double whammy.

Annual Membership Surveys already provided to LBH has shown an increase in satisfaction by HAVS membership year on year from 2007.

At the last survey (Feb 2011):

30% of respondents felt HAVS was one of the best with 65% believing HAVS to be better than average –total 95%

95% of respondents felt HAVS looked after its membership

100% were satisfied with HAVS commitment to providing quality services.

In addition, a number of member groups have expressed concern at the potential reduction of funding to HAVS e.g.

*“On behalf of the Yiewsley & West Drayton TCAG, and I know many other Groups would support this, the work started by Carol Coventry and continued by yourself has taken the Voluntary Services in Hillingdon to a level that no one could have possibly forecast. Particularly with the proposed 'Big Society' and the level of participation that is required from Voluntary Groups I would have thought that the roll of HAVS should be strengthened and not diminished. I would go further and say that without the support of HAVS we all might just as well pack up and go home.”*

*Carl Nielsen.* TCAG

*“Hillingdon Women's Centre (HWC) is an organisation that offers volunteering opportunities to, in the main, vulnerable and low skilled women. We very often, but do not always have to, train 'women on the job.' This can result in skills gaps within our organisation that can only be covered and advised upon by HAVS. HWC seeks guidance from HAVS on a more often than not daily basis from each of the projects on offer via HAVS e.g. accountancy guidance, Volunteer Centre, Funding matters, ITC matters, Strategic planning and much more. Without HAVS, HWC would be severely disadvantaged as an organisation, as a result, so would the women's sector in Hillingdon”.*

Jill Lynch Hillingdon Women's Centre

*“I am writing on behalf of Harlington Hospice in response to the recent news that there may be additional funding cuts to HAVS of anything up to 50%; this coming on top of last year's cut of 15%.*

*There has been much noise over the years about the need for a more supportive and, importantly, constant relationship between statutory and voluntary sectors and for the voluntary sector to be treated as a real partner in delivery of local answers to need. An example of this being the development of the COMPACT and associated ways of working.*

*There is much in the news these last weeks about the need for the voluntary sector to offer affordable alternatives in those areas where statutory services need to reduce the care they offer.*

*Locally HAVS is an organisation offering robust and practical support and leadership to the voluntary sector and one which would play a crucial part in developing an alternative vision for delivering local services. Slashing of funding for this organisation so deeply will make the LA responsible for removing one of the most important routes for delivering that joint action desired above.*

*Of course we all understand the current financial situation means cuts are inevitable and clearly a plea for HAVS funding to remain uncut would merely be to ask for the axe to fall elsewhere. What we do ask is that cuts are made in a way that shares the strain more widely rather than for such a high percentage of reduction to be made from one single organisation.*

Val Stangoe Harlington Hospice

*I like to express my gratitude to HAVS and its dedicated staff. HAVS have been a focal point of all voluntary groups in the area. As a training provider, without HAVS input and support, we would not have reached a number of voluntary organisations in such a short amount of time and therefore many of their staff would not have access to training. Many organisations that we were put in touch through HAVS expressed their gratitude to the training provided as they did not have the funding to put their staff on training. With this in mind and looking ahead many organisation would find staff with skill gaps without the resources to tackle them.*

Asif Hussain  
Employer Engagement Officer - Tribal

*“The organisation (HAVS) is a lynch pin in the voluntary and community sector in this borough, bringing voices together that enable charities/voluntary organisations, community groups and volunteers in the borough to coordinate their activities to complement and supplement what the Council is able to achieve. HAVS is a partner in many successful bids and projects, bringing funding, expertise and activities into Hillingdon that simply would not be here otherwise. HAVS*



*has acted as a referee, sponsor, supporter on a large number of REAP bids and funded projects, not least in the very original of REAP itself in the joint collaborative bids between HAVS, PCT, LBH to ALG in 1999 resulting in funding for almost a decade; later in the collaborative bid that led to the Health Living Centre funding (later renamed HOPE project) which brought funding and activities into the borough for 5 years. More recently HAVS has acted as referee, partner and external evaluator for our ESF/LC funding that brought approx £300k into the borough over 3+ years.*

*It is not only the large amounts of funding, but the practical, on the ground services that HAVS provides and makes possible. We have been fortunate to be involved in the successful HAVS bid to Lotteries for 5 years of funding to improve the use of ICT across marginalised social groups in the borough that has 2 years left to run. One element of the bid is to 'lever' community use that multiplies the value of other existing opportunities, such as the opportunities created by the Hillingdon Volunteer Bureau.*

*A reasonable level of core funding creates the potential for all this work, capitalising on human and physical resources, networking and communications to optimise expertise and referrals amongst voluntary and statutory sector in the borough, enabling joint planning and bid-writing/tendering that lever in resources from outside the borough in multiples of the amounts initially invested by the Council.*

*Everyone understands the current policy and funding climate, but relatively small investments such as adequate core funding for a key coordinating body such as HAVS are smart use of funds available.”*

Sarah Crowther REAP

## **Impacts**

The impact of reducing the core funding to HAVS by the amount outlined will be disastrous not only for HAVS as the local Council for Voluntary Services but also for local front line groups and the community as a whole as detailed above.

It is recognised that these are difficult times and the impact of the economic down turn experienced over the last two years appears to be deepening in the voluntary sector. When the economic environment starts to get tough, naturally charitable donations are the first things which most people will start to cut back on. Unfortunately as the economy starts to recover charitable donations are one of the last things to be reinstated therefore prolonging the recession for the voluntary sector.

In your letter you asked for an outline of the consequences of reducing the core funding to HAVS by 50% & 25%. I have attempted to summarise below.

The traditional view of the voluntary sector is one of well meaning people, primarily unpaid volunteers giving a few hours of their time each week. In part that may still be true. At the last count in Hillingdon (the Mori Poll) there were some 38,000 people each giving at least 2 hours a week of their time.

Let's try and put some momentary value on that.

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38,000 people giving 2 hours per week is over 3.9 million volunteer hours pa.

If you multiply that figure by £10 should they be paid for their contribution that's a cool £39.5 m (and even if you use the min wage as the multiplier it's still well over £22m) - and that is just the tip of the iceberg. In fact our own research would suggest a figure of "formal" volunteering alone of nearer 55,000 in Hillingdon.

Many volunteers give more than two yours a week and many more people do not even consider themselves as volunteers. They just do it.

The National Council for Voluntary Organisations (NCVO) calculates that to replace volunteers the annual cost to the national economy would be £27.5 billion.

**At the last LSP your paper recommended using the Do It website as the main contact for on line volunteering. HAVS administers and populates this website. Your proposals to cut funding therefore run contrary to the Hillingdon Partners most recent decision.**

HAVS & my colleagues in the local voluntary and community sector promote a modern, enterprising third sector.

- Our staff teams are professional and passionate in achieving change and delivering results
- We have a commitment to professional development, training and diversity
- We are well-governed and accountable and have robust and fit-for purpose systems to protect independence and enable effective decision-making
- We are enterprising and innovative, taking a businesslike approach to funding issues and strive for continuous improvement and sustainable development.

And it's not only the paid staff that take a professional approach to the work.

Trustees take on huge responsibilities and risk in what is becoming an increasingly litigious society. Trustees are under a huge pressure of work and sometimes their work goes if not unrecognised, certainly underestimated. HAVS supports Trustees improve their Governance.

One of our areas of our work is that of quality assurance. Certainly all of the larger groups in the borough work very closely to defined quality standards.

As well as the standards required by their client group or area of work there are generic standards. Locally groups work to PQASSO, Investing in People, Investing in Volunteers and very many groups are now thanks to HAVS so accredited helping them seek funding.

As individuals working in the sector as volunteers or paid staff there are very many highly qualified, professional people with many years experience. Doctorates, MA's, degrees, diplomas, NVQs etc etc covering diverse areas of expertise such as health, social work, law, social policy and much more.

There are certain fixed core costs which remain, exclusive of staff costs:

Rent	£23,300
Equipment Rental/charges	£15,000
Insurances	£2000
ICT Costs	£1000
Audit	£4800
	<b>£45,800</b>

This does not include sundry core costs of stationary, telephone volunteer expenses etc etc.

At 25% Cuts.

Reduction of staff costs by reducing hours/redundancies  
Reduce premises costs by vacating ground floor of Key House  
Suspend on line training  
Reduce strategic involvement/networking etc.  
Reduction in Volunteering brokerage/CVS core function  
Impact on TIF\*  
In ability to take a full part in the strategic development of the Borough

This would impact on our ability to:

- Identifying and filling the gaps
- Raise standards
- Enable communication and collaboration
- Provide a strong voice for the local VCS
- Promote strategic involvement
- Loss of engagement of the authority with the wider sector

At 50% Cuts

The above cuts would be intensified resulting in greater redundancies/loss of staff and loss of support to the voluntary & community sector  
The reserves of HAVS could be used to sustain the organisation, pending new funding for approximately 12 -18 months but it would completely deplete reserves and close the organisation.

The current core funding is for:

“Towards salaries and on costs of Chief Executive, Volunteer Centre Manager, Office Manager, general overheads and other costs.”

Current Salaries of and on costs (NI/Pension@3%) of these staff are:

Chief Executive:	£72,700
Volunteer Centre Manager	£41,000
Office Manager	£25,400

TiF\* (Transforming Infrastructure Fund)

This is new competitive funding from Central Government to support & enhance LIOs. Together with 4 other west London boroughs, HAVS has submitted a bid for a substantial funding.

If successful (this will be announced late January 2012) approximately £1m will be available to the 5 partners in west London with HAVS attracting a minimum of £150,000 to support local groups become able to bid for contracts & tenders (Business Hub) and an on line database of good practice, policies etc.

If the cuts of 50% are made this may impact negatively on the ability of HAVS to receive this funding so cutting even deeper into the local third sector in Hillingdon and the remainder of West London.

The overall impact of these potential cuts is that these services and support will be lost at a time when it's needed most. HAVS provides real value for money with less than 6% of expenditure spent on governance and there is the hidden impact. There is increasing evidence that links social capital such as knowing neighbours, community spirit etc with volunteering & community cohesion.

## **Local Area Agreement Stretch Target**

In your letter you asked that I detail how the LAA Reward Grant has been used.

As you will recall the original agreement drafted by Paul Williams in 2007 and subsequently administered by Ian Edwards was a legal undertaking to provide a defined Reward Grant for a defined target, a legal contract in any other name. The contract did not have any clauses nor was it restricted funding so that HAVS agreed to use the initial Pump priming monies plus an element of HAVS reserves to ensure the target was met to enable a long term programme of development work.

The incoming Coalition Government reneged on the agreement so that only 50% of the agreed monies were paid even though the target was met. After a repayment to LBH, some £156K was made available to HAVS, paid this financial year.

This money has been used to:

- Repay Reserves

- Sustain current volunteering work

- Develop & re focus volunteering project.

I hope you will see that the work of HAVS goes deep into sustaining and Supporting the wider voluntary & community sector within the borough, cuts of 25% or greater would be unsustainable with the inevitable closure of the organisation.

I reiterate where other local authorities have made decisions to cease funding their CVS, they have subsequently discovered the need and are re investing, but of course having lost a wealth of local knowledge & expertise.

## **Cost Savings to Borough**

It is accepted that saving /cuts have to be made but the impact should not fall disproportionately to one partner the voluntary sector.

Last year the rebate to Hillingdon from London Councils from the pan London Voluntary sector budget was not redistributed locally so hitting once again the sector. I understand additional rebates are due in the next financial year which could be used locally to offset the cuts.

I have also suggested that the savings made by the authority from the recent Day of Action (30<sup>th</sup> November) from not payment of salaries could be used to support the local voluntary sector. This was clearly a financial windfall to the authority.

You indicated at our meeting on 7<sup>th</sup> that the London Council savings would not be used locally for the sector but you did not know how the Day of Action monies may be used.

As the published Grant recommendations to Cabinet indicate in general terms a standstill budget (not accounting for inflation of course) with a small increase on 2012/13 of £34,000, that the savings made from the above be used to maintain HAVS grant at the current rate for the next financial year.

If I can provide any further information I would of course be pleased to do so.

Yours Sincerely,

Ted Hill MBE  
MA LLB (Hons)  
FRIPH, FInst LM, MCIPR

Chief Executive

### **The work benefits the community at large since 2007 our achievements have included:**

**In 2007** HAVS helped to make a difference by:

- Assisting local voluntary groups to raise well over £1/2 m
- Giving tailored support and advice to 400 voluntary and community groups
- Training more than 330 local volunteers and voluntary sector workers
- Providing in depth IT advice and support to over 25 groups
- Providing in depth HR advice & support to over 24 groups
- Giving parents a voice in Children's Centres in Hillingdon
- Involving 400 voluntary organisations in planning for local services and community development
- Influencing local policy
- Developing a 3 year business plan
- Modernising the website making it more accessible

**In 2008** HAVS:

- Developed high quality training
- Increased engagement with the Health & Social Care sector
- Raised quality standards & was re accredited with Investors in People
- Modernised our internal structures making our selves more efficient
- Produced a DVD on volunteering
- Sourced over £100,000 to the local community
- Supported 700 new volunteer placements
- Run 23 training programmes with 229 learners from 60 different groups
- Held 33 network events.
- Re branded ourselves with a new logo & new website
- Re-launched the Hillingdon Consortium which itself has been successful in attracting funds
- Establishing student interns from Brunel University
- We have recruited more organisations to HAVS and recruited more volunteers
- Our Capital Volunteering project was a runner up in the London NHS awards
- Played an active part in the strategic direction of the borough as part of the LSP –

*Hillingdon Partners* and other forums and groups.

- We have also held a very successful Step Up Your Game event in March.

#### **In 2009 HAVS:**

- Were Finalists in the national Third Sector Magazine Excellence Awards
- Provided high quality information
- Provided high quality training
- Ran a successful End of Life Conference
- Developed the growth & development of Health & Social Care Forum
- Development of Children Youth & Families & the Volunteer Forums
- Conducted & published research regarding implementation of Safeguarding Children.
- Sourced over £350,000 to the borough for the voluntary & community sector – that we know of.
- Developed & supported small groups
- Conducted Member surveys to listen to your needs & represented the voluntary & community sector on a range of forums
- Active member of Hillingdon Partners (Local Strategic Partnership)
- Raised the sector profile within borough
- Developed Hillingdon Consortium
- Recruited more groups to HAVS
- Recruited & supported 700 new volunteers

#### **In 2010: HAVS**

- Successfully met the Local Area Agreement Stretch targets of increasing the level of volunteering in the Borough.
- Re-launched the HAVS newsletter.
- Revised the HAVS page on Hillingdon People.
- Ran a successful Equalities Conference
- Were Winners of the Brunel University Business School Workplace Employer 2009/10
- Re accredited with Investors in People.
- Launched a new interactive website – Hillingdon Connects.
- Developed new partnership arrangements with national charities
- Volunteer Awards Ceremony

#### **In 2011 (to date) HAVS has**

- Dealt with the funding reductions while maintaining services
- Launched an on line training programme for staff & group members
- Initiated NVQ level 2 & 3 training for staff
- Developed its Website/portal
- Won the Digi TV awareness contracts for Hillingdon & Harrow
- Won a contract with 2 other CVS to develop the CVS in Harrow
- Successful and positive audit of HAVS services
- Maintained the high level of satisfaction ratings from staff & member groups
- Launched the HAVS newsletter on line
- Worked successfully in partnership with 5 boroughs to submit the TIF bid.
- Supported groups through difficult periods
- Launched the Pilot-Light initiative in the Borough
- Delivered 5 training events to groups re funding/contracts
- Organised a conference for December 2011 with Rt Hon Nick Hurd MP