
**STRATEGIC GRANTS TASK AND FINISH REVIEW GROUP –
INTERIM REPORT**

**Responsible Cabinet Member - Councillor Andy Scott,
Health and Partnerships Portfolio**

Responsible Director – Paul Wildsmith, Director of Resources

SUMMARY REPORT

Purpose of the Report

1. To report the interim conclusions and recommendations of the Strategic Grants Task and Finish Review Group being undertaken by the Health and Partnerships Scrutiny Committee, established to ensure that the Strategic Grants provided by this Council to the Voluntary and Community Sector are delivering outcomes and providing good value for money.

Summary

2. At a meeting of the Health and Partnerships Scrutiny Committee held on 16th April 2013, Members considered undertaking a piece of work to scrutinise the Strategic Grants provided by this Council to the Voluntary and Community Sector to decide whether they are delivering outcomes and providing good value for money. It was suggested that it might be appropriate to feed into the Council's Budget Advisory Panels this work.
3. Members of the Scrutiny Committee had agreed a Terms of Reference at its first meeting of the Task and Finish Review Group and all Members of the Scrutiny Committee were invited to participate in the Review.
4. The Task and Finish Review Group have met with all seven recipients of the Strategic Grants and visits have also been undertaken.
5. At its final meeting of the Task and Finish Review Group held on 21 June 2013, Members met with Officers for clarification of some issues and drafted some conclusions and recommendations.
6. The Task and Finish Review Group's conclusions and recommendations are outlined in this report.

Recommendation

7. That Cabinet

- (a) Note the conclusions and recommendations of the Strategic Grants Task and Finish Review Group; and
- (b) Undertake to consider the contents of the review as part of the budget process.

Reasons

8. The recommendations are supported by the following reasons :-

- (a) To ensure that decisions in relation to Strategic Grants are informed by the detailed work of Scrutiny.
- (b) To assist in developing appropriate budget proposals.

Paul Wildsmith
Director of Resources

Background Papers

No background papers were used in the preparation of this report.

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S17 Crime and Disorder	It is not considered that there will be a significant impact on crime and disorder as a result of this report.
Health and Well Being	This report has no direct impact on health and well being, but the Strategic Grants do allow organisations to provide service for people which impacts positively on their health and well being.
Carbon Impact	There are no issues which this report needs to address.
Diversity	There are no issues relating to diversity which this report needs to address.
Wards Affected	All Wards will be affected
Groups Affected	Groups within the Voluntary and Community Sector will be affected most by this report.
Budget and Policy Framework	This report has no impact on the budget or policy framework although, cabinet may agree that further work is needed to feed into the Budget Advisory Panel process.
Key Decision	This report does not constitute a Key Decision.
Urgent Decision	This is not considered an urgent decision.
One Darlington: Perfectly Placed	The report contributes to the delivery of the objectives of the Sustainable Community Strategy.
Efficiency	The report details scrutiny and monitoring of Strategic Grants efficiently (and effectively), however this report does not identify specific efficiency savings.

MAIN REPORT

Information and Analysis

9. The Strategic Grant Task and Finish Review Group was established to undertake a time limited piece of work, to ensure that the Strategic Grants provided by this Council to Voluntary and Community Sector are delivering outcomes and providing good value for money.

Review Group

10. The Strategic Grant Task and Finish Review Group has met on five occasions and some Members have undertaken a visit to Darlington First Stop.
11. The Group is reporting its interim findings to allow Cabinet to identify whether further work is required and whether this work should be considered as part of the Budget Advisory Panel process.

Interim Conclusions of the Review Group

12. The following are the interim conclusions of the Review Group :-
13. Members accept that in this financial climate value for money is a high priority for this Council and its partners. Members understand the importance of being able to provide assurance to the general public and partners that it is spending it's money wisely and that grant and funding it awards follow stringent reporting and monitoring mechanisms that are applied fairly.
14. It was acknowledged that this Council makes contributions to a number of organisations to enable them to provide a variety of services and projects. Members were keen to focus this specific work on the Strategic Grants. Members felt unable to fully assess the value for money of the Strategic Grants given the variance in Council contributions awarded. This would require some further detailed investigations which they have been unable to do at this time.
15. Overall, a variety of evidence was submitted from the recipients of Strategic Grant, some of which was not relevant to the required outcomes. This made to task of scrutinising how the Strategic Grant was spent more challenging.
16. Members also expressed some concerns at the difference in level of information that organisations provided and believe that robust reporting and monitoring mechanisms need to be established within this Council to ensure that proper monitoring of spend takes place, a standard template maybe helpful.
17. If consideration is given in the future for organisations to apply for Strategic Grants Members are of the opinion that all organisations must complete an application form and must be treated the same regardless of the organisation, i.e. no ring fenced element should be applied and all should be subject to the same contractual arrangements and subject to the same monitoring and scrutiny.

18. Members appreciate that it is difficult for organisations to survive in the current economic climate but would seek assurance that the organisations that this Council funds are aiming to become sustainable.
19. Members acknowledged that there have been staff changes within the Team who are responsible for administering Strategic Grants, but have concerns that performance issues have not been fully addressed and resolved. Members would like reassurance that there are Strategies developed and implemented to ensure that monitoring process improve and are adhered to.
20. Members appreciate the enormity of the work that is carried out by the voluntary sector and Members are most impressed by the high number of volunteers in Darlington and their commitment and enthusiasm. Members understand the value of volunteers in terms of the town's economy, experience and services enabled to be provided as a result.

Interim Recommendations of the Review Group

21. The Strategic Grants Task and Finish Group agreed to accept and endorse the following recommendations and to forward to Cabinet for consideration :
 - (a) That Members welcome the work that the Strategic Grant has enabled organisations to provide and deliver; Members also note the extremely positive outcomes that has been achieved overall by organisations who have received a Strategic Grant.
 - (b) That Members have gained a better understanding of the Strategic Grants and how much the organisations value them.
 - (c) That recipients of Strategic Grants must submit performance information in accordance with the constraints of their Offer Letters.
 - (d) That Members be assured by Officers, that Strategies are in place to enable monitoring and management of underperformance to be addressed and consistently applied in conjunction with the organisations.
 - (e) That a biannual report be submitted to the Scrutiny Committee summarising the performance information received from the Strategic Grants recipients.
 - (f) That if consideration is given to awarding Strategic Grants in future, no ring fencing should apply, allowing all organisations the opportunity to apply and criteria and guidance should be revisited at that time.
 - (g) That organisations in receipt of a Strategic Grant have a better understanding as to why the Council needs to have robust reporting mechanisms in place to be able to demonstrate to the public that Strategic Grants provide value for money, good performance and most crucially enhanced outcomes for Darlington and residents.

- (h) That if further work is required Members of this Scrutiny Committee would gladly undertake that work and prepare a Final Report in due course.

Further Work

22. The council is currently undergoing a review of budget spending across the Council to ensure that expenditure is directed towards strategic priorities. The significant reduction in government funding to the Council coupled with increased demand will mean that it is more important than ever to ensure the greatest impact from each pound spent by the Council. Consideration will need to be given to the contribution of advice services and other services supported by the grants to wider strategic priorities. This will inform decisions about future grant funding and use of any wider resources. This approach will necessarily involve a review of the current allocation of grant funding and other resources as part of wider consideration of budget priorities. The work of the task and finish group has highlighted the need for any resources to be target focused, and for careful monitoring and performance management of any grant provided or use of resources through other means.
23. It is proposed that consideration be given to establishing a more comprehensive approach to advice services and other functions currently met through strategic grants. The work of the Task and Finish group should be fed into any review that takes place and the recommendations be considered as part of any proposed changes.

Views of Director of Resources

24. As the Strategic Grants function crosses the areas of two directors the Directors of Resources and People have commented that they welcome the work of the Scrutiny Committee and the comments they have made in relation to the monitoring and management of the strategic grants programme.