

FALKIRK COUNCIL

MINUTE of MEETING of the SCRUTINY COMMITTEE held in the MUNICIPAL BUILDINGS, FALKIRK on THURSDAY 19 FEBRUARY 2015 at 2.30 PM.

COUNCILLORS:

Allyson Black
Baillie William Buchanan
Charles MacDonald
John McLuckie
Baillie Joan Paterson
Provost Pat Reid (Convener)

OFFICERS:

Fiona Campbell, Head of Policy, Technology and Improvement
Jack Frawley, Committee Services Officer
Colin Moodie, Depute Chief Governance Officer
David Tollick, Corporate Policy Officer

ALSO ATTENDING:

Karen Herbert, Chief Executive, Falkirk & District CVS
William Kelly, Chair of the board, Falkirk & District CVS

S61. APOLOGIES

None.

S62. DECLARATIONS OF INTEREST

Councillor Black declared a non-financial interest in item S64 as she had received an award at the Falkirk & District CVS annual volunteer awards ceremony but did not consider that this required her to recuse herself from consideration of the item having regard to the objective test in the Code of Conduct.

S63. MINUTES

Decision

- (a) The minute of the meeting of the Performance Panel held on 20 November 2014 was approved, and
- (b) The minute of the meeting of the Scrutiny Committee held on 8 January 2015 was approved.

S64. FOLLOWING THE PUBLIC POUND (FPP): FALKIRK & DISTRICT CVS

The committee considered a report by the Director of Corporate and Neighbourhood Services providing background to the presentation from representatives of Falkirk & District CVS, requested by committee at its meeting of 1 December 2014 (S50 refers). Appended to the report were the annual reporting statement 2013/14; Falkirk & District CVS Report and Financial Statement – Year Ended 31 March 2014, and Falkirk & District CVS Annual Review 2013/14.

Karen Herbert, Chief Executive Falkirk & District CVS (CVS) and William Kelly, Chair of the board introduced themselves to the committee and presented on the work of CVS in the Falkirk area for the year 2013/14. Karen Herbert stated that there were 32 third sector interfaces (TSI) in Scotland, one for each local authority area. CVS were recognised by the Scottish Government as the TSI for Falkirk which gave them the role of being the voice for the third sector in Falkirk. In terms of a specific concern raised by the committee, Karen Herbert stated that CVS had regained full operational control of its website from November 2014.

CVS received most of its funding from the Scottish Government and were to meet four national outcomes of:

- Promoting volunteering;
- Developing and growing social enterprise;
- Supporting third sector organisations, and
- Providing an interface for the third sector with strategic partners.

A single outcome agreement was in place to direct the local delivery of services. In 2013/14 and 2014/15 the single outcome agreement matched the national outcomes. Following the audit of the community planning partnership and development of the single outcome local delivery plan CVS' priorities were realigned to match local priorities and would, for the first time, include poverty.

Karen Herbert provided the committee with information on the work carried out by CVS in 2013/14:

- CVS had held a Funders Fayre which attracted more than 180 local organisations;
- partnership working had improved social enterprise levels and other areas were visiting Falkirk as an example of good practice;
- while volunteering was in decline in other areas levels continued to be strong in Falkirk. There had been a record number of nominees at the CVS annual awards ceremony, and
- Falkirk was the first and one of only two areas in Scotland to have 1,000 young people having achieved Saltire awards.

Karen Herbert stated that work toward representation was where CVS had been weakest in 2013/14 but that changes had been made to improve this.

In 2014/15 CVS had made a number of changes around how it carried out its business. CVS had ceased non-core services to ensure that they did not compete in service delivery with other third sector organisations. CVS had invested in staff training and had reshaped the structure of the organisation. The largest area of support CVS provided to organisations was in relation to governance and funding.

In performing its role as a representative of the third sector CVS regularly attended 21 local, regional and national groups. Karen Herbert stated that CVS also attended 9 local groups on reshaping care for older people, 4 on integrated joint working and 6 on the community planning partnership. Further, Karen Herbert co-chaired the community planning partnership improvement group on community engagement and participation.

A new full time representation development officer position had been advertised and a support officer was already in post in order to allow the appointee to start in post as effectively as possible.

For 2015/16 two staff would be dedicated to working on representation and CVS would support representation on the integrated care board. The post for social enterprise would terminate at the end of the financial year and one volunteering support position would not be replaced.

The committee asked for further information on the funding received by the organisation for 2013/14. David Tollick stated that CVS received core funding of £113,748 from Corporate and Neighbourhood Services with an additional £19,400 from Social Work Services for community health and care support. This was the funding monitored under following the public pound arrangements. Funding for Broadening Your Horizons had not been continued as the work covered areas which other organisations already provided. The Helix Social Enterprise Zone funding would finish at the end of the current financial year. Karen Herbert stated that the funding had been available for two years and was provided by the Council and Scottish Canals. David Tollick stated that the total funding of £519,402 included funding received from the Scottish Government.

Members asked about the impact of the shift in focus from national to local priorities. Karen Herbert advised that this was an ongoing change for the organisation and that previously poverty was now a main focus whereas it had not previously been prioritised.

The committee asked about the role of CVS in collaborative working such as with the food bank. Karen Herbert stated that CVS were members of the food bank and that they recruited volunteers for the project. CVS also linked in with the national volunteering database so that people could be matched up to the opportunities which best suited them. William Kelly stated that volunteer recruitment also took place through improved use of the website and use of an electronic newsletter. Karen Herbert advised that 1,300 individuals were subscribed to the newsletter.

Members asked for further information on the decision to stop non-core services where duplication with other organisations had occurred. Karen Herbert stated that CVS had recognised duplication around employability training, graphic design and accounts checking and so decided to stop these activities.

The committee asked about the role of the board and their relationship with the organisation. Karen Herbert advised that the change of focus and future direction for the organisation had been set by the board. William Kelly stated that the board received regular updates on the work of CVS using a traffic light reporting system to measure performance. They had specified a new direction of the organisation when going through the appointment process for the Chief Executive. William Kelly stated that the board were satisfied that Karen Herbert was managing the organisation well.

Members asked about the circumstances in which CVS would encourage groups to take on the social enterprise model and how they would ensure that any advice to do so was for the best of the organisation. Karen Herbert stated that any third sector organisation which asked for support would be assisted by CVS. Before providing guidance on changing to a social enterprise model, or any other type of model, CVS would work closely with the organisation. She advised that there were different benefits and negatives to each type of model. CVS would work with organisations to work out, based on their current situation and planned future direction, what was the best model to use. For example, Karen Herbert stated that social enterprise would be the most appropriate fit for a community café, while for taking on a community asset a development trust would be best. CVS would not force any particular model upon an organisation, the decision sat with the organisation to take. CVS would provide legal advice for groups before taking such decisions if it was desired.

The committee asked how selection of different models would affect a group's access to funding, highlighting that lottery grants could not be accessed if using a building on a short term lease. Karen Herbert stated that CVS go through the advantages and disadvantages of models and consider what the organisation wants to achieve. CVS took care to ensure that the implications for the organisation were understood. Karen Herbert stated that she was keen to engage with organisations early as most of the difficulties encountered arose after organisations had structured and then tried to change.

Members discussed that in taking over a community asset the trust model would be best fit but asked how this would work if funding was cut. Karen Herbert advised that CVS advocated that organisations utilised a 'cocktail of funders' so that they were not over reliant on one funder and were therefore less vulnerable to cuts. She wanted organisations to forecast and have funding plans in place. She also encouraged organisations to carry out risk assessments and identify how sustainable they would be if they did not achieve the funding they had planned for.

In response to a question on how long term funding could be achieved if groups could not keep going back to the same funders year on year, Karen Herbert stated that there were thousands of different funders available. Further, groups could look at charging for services. However, Karen Herbert noted that some organisations would always require funding.

The committee asked about issues faced by CVS in connecting with third sector organisations. Karen Herbert stated that CVS had faced staffing issues to do with sickness absence but that they had been resolved. However, being a small organisation, sickness absence was always a risk for CVS as any absence had a significant impact. In order to mitigate this risk cross cover was utilised where possible. Karen Herbert stated that CVS wanted to be the go to organisation in the area for the third sector but rebuilding their reputation would take time. Karen Herbert stated that some resentment had been felt by the third sector towards CVS due to the time when they had duplicated other organisations areas of service delivery, which had now been resolved.

He advised that other funding streams related to activities for generating funds, which were from: tenants; conference hire; payroll, accountancy and admin services, and graphic design.

In light of the above information, the committee asked for further information on why CVS had changed its position in regard to income generation. William Kelly advised that the figures provided showed gross income and not the net profit result. The board had reviewed each activity to see if they were worth continuing.

Responding to a question on the partnership innovation fund, Karen Herbert stated that it would finish at the end of the financial year. She advised that the integrated care fund was available to support the third sector in delivering preventative care services.

The committee asked about the number of young people recognised at the annual awards ceremony. Karen Herbert stated that she was happy with the number of young people present and that those did not include all those who had achieved Saltire awards. In response to a question on maintaining youth volunteers into adulthood, Karen Herbert stated that people often stopped volunteering in their early twenties and then returned after having raised young families.

Members asked about volunteer recruitment at the funding fayre and whether or not these individuals kept up their involvement in volunteering in the longer term. Karen Herbert stated that 877 volunteers had signed up at the fayre and that CVS followed up with them after 3, 6 and 9 months to track their involvement in volunteering.

The committee asked for more information on the Helix Social Enterprise Zone. Karen Herbert stated that the project had included the Council, Scottish Canals, CVS and the Social Enterprise Academy. Firstport, the largest new enterprise funder, had ring fenced grants for the Falkirk area. Although the project was related to the Helix brand it was open to benefit the whole Falkirk area.

Decision

The committee approved the report and acknowledged the progress made by Falkirk & District CVS in meeting Council priorities.

S65. SCRUTINY PLAN - 2015

The committee considered a report by the Chief Governance Officer which presented a summary of the committee's consideration of reports requested at its meeting of 14 August 2014 as potential areas of in depth scrutiny for inclusion in the annual scrutiny plan.

Members asked if the complaints system was proscribed to the Council or if there was an opportunity to review it. Fiona Campbell stated that Social Work Services had a different complaints procedure to other services but that the rest of the Council used the standard system for the public sector in Scotland. The committee discussed that it was also worth reviewing the extent to which complaints were considered and lessons learned.

Following discussion on the appointment of head teachers and availability of supply teachers, Colin Moodie advised that a report was due to come to committee on the topic of supply provision.

Decision

The committee agreed to recommend to Council:-

- (1) the following areas for scrutiny as part of the annual scrutiny plan:-**
 - (i) the operation of the complaint system within the Council, in particular, the extent to which complaint outcomes are considered and lessons learned for the future. The scope of the scrutiny panel would include customer feedback as well as formal complaints, and**
 - (ii) outcomes for looked after children, and**
- (2) that the scrutiny committee should agree a third area for scrutiny with preference given to a subject suggested by the opposition members on the committee, in the event that they participate in the scrutiny process.**