



# **Agenda Item**

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**Following the Public Pound –  
CVS Falkirk and District**

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**Falkirk Council**

**Title:** Following the Public Pound – CVS Falkirk and District  
**Meeting:** Scrutiny Committee External  
**Date:** 17 May 2018  
**Submitted By:** Director of Corporate and Housing Services

**1. Purpose of Report**

- 1.1 This report provides information under the Following the Public Pound arrangements for the period 1 April 2017 to 31 March 2018 for CVS Falkirk and District which supports the Council's priorities with regard to community development. This in turn underpins the Council's partnership priority as set out in the corporate plan.

**2. Recommendation(s)**

- 2.1 The Committee is invited to consider this organisation's report and select from the following options:
- 1) Approve the report and acknowledge progress by CVS Falkirk and District (CVS) in meeting Council priorities;
  - 2) Request further information be provided to them on specific aspects of the service provided; or
  - 3) Request a follow-up report for a subsequent Scrutiny External Committees consideration on specific aspects of the organisations performance or on the organisation as a whole.

**3. Background**

- 3.1 External organisations which receive funding from Falkirk Council are subject to formal monitoring, scrutiny and reporting. The organisations that receive funding to support our outcomes on public protection are from the third sector i.e. voluntary or charitable organisations.
- 3.2 These organisations are funded on the basis that they are able to provide services which could not readily be provided by the Council or have not been provided by the Council in the past. Services are however, provided in ways which complement those provided by the Council and other statutory partners. They are subject to routine monitoring in terms of their performance against agreed outcomes.

- 3.3 CVS as with many external organisations was subject to a reduction in funding last year. Whilst the long term value of the services provided by these organisations is acknowledged, reducing budgets for the Council have required a critical examination of how much support the Council can afford now and in future years.
- 3.4 As part of the process for Following the Public Pound, monitoring officers assess risk and measure performance for the organisations they are responsible for. The information accessed as a result of monitoring has been used to collate the reporting statement for CVS, attached at Appendix 1. The statement provides an overview of the service funded by the council, the agreed objectives or outcomes, performance information during the reporting period, and a financial overview.

#### **4. Considerations and Policy Context**

- 4.1 The organisations funded by Falkirk Council enhance our ability to meet our statutory responsibilities and local policy objectives, but financial constraints require us to keep each arrangement under review. The Community Empowerment (Scotland) Act 2015 emphasis the importance of community engagement prioritising preventative measures, working to reduce inequality, targeting the causes of multiple deprivation, and low aspiration, while making the best use of resources to achieve maximum impact. CVS plays an important role in supporting community development, as well as the Third Sector in particular, through its role as the local interface. This helps to meet our statutory obligations in this area.
- 4.2 CVS within the past year has secured funding from the Scottish Government's Aspiring Communities Fund. This funding supports a number of facilitators to work with communities which experience multiple deprivation. This also supports our work on locality planning.
- 4.3 The benefits of successful community empowerment and engagement are designed to secure:
- Improvement in local democratic participation;
  - Increased confidence and skills among local people;
  - Higher number of people volunteering in their communities;
  - Increased satisfaction with the quality of life in local neighbourhoods; and
  - The delivery of better, more responsive services, and better outcomes for communities.
- 4.4 By funding CVS the Council is taking positive action to ensure that everyone has their say and a chance to achieve the vision set out in the Strategic Outcomes and Local Delivery (SOLD) plan. This includes hearing the voice of the Third Sector. CVS achieves this through supporting six third sector fora, which reflect SOLD priorities and outcomes. This provides a mechanism to brief the sector on Community Planning and access feedback from it. This

also encourages direct participation by third sector organisations in Community Planning.

- 4.5 The Council's Corporate Plan sets out as one of its priorities the need to work in partnership with communities to ensure that we are meeting their needs. CVS through its interface role, as well as the third sector more generally has an important role in supporting the Council in this area. Some of the ways in which the Corporate Plan notes that we will achieve this, include:

- Developing a common approach to co-production that redefines, then redesigns the services we deliver;
- Developing a common approach to co-production that redefines, then redesigns the services we deliver;
- Delivering locality planning, supported by community action planning,
- Delivering locality planning, supported by community action planning, which have been developed and delivered in collaboration with local communities;
- Giving a voice to our diverse communities;
- Celebrating the diversity of those who live, work and visit the area;
- Supporting opportunities for groups and individuals to be empowered;
- Building and developing skills and experience;
- Supporting stronger, more self-reliant people and communities;
- Providing opportunities to meet self-identified needs; and
- Working with the third sector.

## **5. Implications**

### **Financial**

- 5.1 During 2017/18 CVS received £97,252 as core funding from Falkirk Council, as well as £2,960 from the Employment and Training Unit in Development Services. The funding allocated to CVS is agreed by Council at its budget meeting in February each year. The information set out in this report should inform those decisions.
- 5.2 Due to reductions in funding CVS has changed some aspects of service delivery. This has included the increasing provision of service supporting social enterprises being provided on a pan Forth Valley basis. The frequency of key events which support the local third sector has also been amended to help deliver savings.

### **Resources**

- 5.3 Nil.

### **Legal**

- 5.4 Nil.

## **Risk**

- 5.5 Following the Public Pound processes are designed to assess and mitigate risks to the Council of funding external organisations.

## **Equalities**

- 5.6 The funding of each organisation will be subject to an EPIA over the course of the coming months.

## **Sustainability/Environmental Impact**

- 5.7 Nil.

## **6. Conclusions**

- 6.1 CVS largely continues to meet its core priorities and targets; although this has come under strain during the reporting year as the organisation has implemented service changes to meet its levels of funding support. The levels of reserves are just above the minimum level required, and have continued to fall over recent years. If this pattern continues this potentially raises the risk of CVS being able to maintain performance in key service areas. A new Joint Working Agreement will be developed in September to re-prioritise services and better reflect the environment in which CVS is now operating.

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Director of Corporate and Housing Services.

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Date – 8 May 2017

## **Appendices**

- Appendix One – Reporting Statement, CVS Falkirk and District 2017/18

## **List of Background Papers:**

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

None

**FALKIRK COUNCIL – CORPORATE AND HOUSING SERVICES  
FOLLOWING THE PUBLIC POUND ANNUAL REPORTING STATEMENT 2017/18**

Organisation Name	CVS Falkirk and District
Project	Core Funding
Agreement Dates	1 April 2017 to 31 March 2018
Name of Lead Officer	Andrew Wilson
<b>A OVERALL ORGANISATION AIMS</b>	
<b>Summary of Key Aims &amp; Objectives of Organisation</b> <ul style="list-style-type: none"> <li>• Volunteering, Social Enterprise and Third Sector Partnering make key contributions to the delivery of Falkirk's Community Plan</li> <li>• Provision of the Third Sector Interface for the Falkirk Council area</li> <li>• Continuously improving its services to offer Best Value to its service users</li> </ul>	
<b>What is the purpose of the funding provided by the Council?</b>  <b>CVS supports the Council by ensuring:</b> <ul style="list-style-type: none"> <li>• More people have increased opportunities to volunteer, and volunteer involving organisations are better able to recruit, manage and retain volunteers</li> <li>• Social enterprise develops and grows</li> <li>• Third sector organisations are well governed and managed to enable them to deliver quality outcomes</li> <li>• Third sector organisations have access to public policy making and able to contribute their views on this</li> </ul> <p>This includes contributing as partner to Community Planning, with access to the wider Third Sector and helping support the implementation of some of the provisions of the Community Empowerment (Scotland) Act 2015</p>	
<b>Why Does the Council fund this?</b>  <p>The Council funds CVS as the area's representative body for the Third Sector and the access it has to the sector, as well as performing specific functions in support of Community Planning. CVS can also provide an impartial and independent voice to represent the Third Sector locally.</p>	
<b>How long has the Council Funded this Organisation to Deliver this Service? When did the Council agree to fund this?</b>  <p>31 years including the predecessor authority to Falkirk Council</p>	

**Set out the funding provided by the Council for the last five years**

<u>Year</u>	<u>Annual Funding</u>	<u>Support in Kind</u>	<u>One Off Support</u>
<u>2012/13</u>	<u>£211,327</u>		
<u>2013/14</u>	<u>£211,327</u>		
<u>2014/15</u>	<u>£132,178</u>		
<u>2015/16</u>	<u>£122,678</u>		
<u>2016/17</u>	<u>£107,969</u>		
<u>2017/18</u>	<u>£97,252</u>		£2,960 (Employment & Training Unit)

## B SERVICE DELIVERY

### What does the organisation deliver and to whom?

CVS supports third sector organisations, social enterprises and volunteers with support and advice on how to operate in accordance with OSCR requirements, governance arrangements and constitutions and provides access to placements for volunteers. A core aspect of CVS is acting as the local Third Sector interface and providing access for the Third Sector to Community Planning.

The sector includes charities, unincorporated voluntary organisations, social enterprises, co-operatives, development trusts, community groups and organisations etc. There are over 500 organisations operating across the Council area which it is estimated is worth £70 million to the local economy.

Social enterprises are not for profit businesses that seek to address social and environmental issues through reinvesting all their profits from trading. CVS supports and promotes social enterprise as a way of doing business and works with existing social enterprises, as well as encouraging individuals to be more socially enterprising. The range of support CVS offers in this area includes:

- Start up guidance
- Idea development
- Business planning
- Identifying funders
- Partnership working
- Providing advice on legal and compliance issues
- Measuring social impact
- Tendering and procurement
- Signposting to other services

Volunteering is an increasingly popular choice which local people to contribute to their local communities. This is open to all ages, with an annual recognition scheme open to 12 to 25 year olds, who volunteer. CVS registers people who are interested in volunteering and provides a service to match them to suitable opportunities. This can allow people to:

- Gain new skills and experience of updating existing
- Provide a contributions to CV's which employers are increasingly recognising
- Contribute to local communities
- Provide an opportunity to network and socialise

CVS provides organisational development support to Third Sector organisations to help them meet charitable status requirements and also help them secure funding. This includes support from idea generation to submitting funding applications, including organisational governance.

As the Third Sector interface CVS provides a platform for Third Sector organisations to engage with public bodies and the Community Planning Partnership. It achieves this by running a number of themed forums which reflect the Community Planning Partnership's Strategic Outcomes and Local Delivery Plan, and itself is a core Community Planning partners with a seat on both the Strategic Board and Executive Group. This allows them to be better informed on Community Planning, access to training, and be involved in influencing the local agenda.

### Who and how many people directly benefit from the organisation?

The following provides a snapshot of some of the key achievements of CVS in its core area V2, 080518



of business.

During 2017/18 CVS supported 692 registered volunteers, 532 of which achieved placements. Volunteering has been more focused on supporting the disadvantaged and those furthest way from employment.

9 new start social enterprises received tailored support to help them become established. 5 social enterprises received individual support to become more enterprising.

421 Third Sector organisations received support regarding their governance arrangements, including the establishment of constitutions. 43 organisations received funding advice to help them diversify sources of income.

89 individuals attended the annual funder's fayre to help them make contact with potential funders and / or receive advice on funding applications. This event will now be held ever 2 years to help achieve savings.

CVS has established 6 forums which resulted in 21 meetings to reflect different aspects of the Community Planning Partnership's Strategic Outcomes and Local Delivery Plan. This also provides third sector and community organisations with a channel to influence community Planning.

**Set out what other similar and or complementary services are provided which are similar in function or support the same client / communities.**

The Council's Community Learning and Development Team provide some similar services but these are now aligned with CVS. These include organisations trying to access funding and offering guidance on governance arrangement including the development of constitutions.

**How does this organisation support the Council achieve its priorities?**

CVS acts as a gateway for the Third Sector into Community Planning through its interface role, and also helps to build and sustain the local Third Sector through development advice and support. CVS also helps sustain local volunteering through running a scheme to register volunteers and placing them within community and business settings. This is more fully explained above.

**Are there any areas of improvement and efficiency that could be achieved?**

CVS has undertaken a reorganisation in 2017 so that it is better able to cope with the loss of posts and reduced funding. This has included improving the generic skill base of the workforce so that individuals can support a wider range of tasks more flexibly. In addition to this CVS plans to develop host forum meetings, organisational training and development to improve access to its services but also to improve efficiency. Keynote annual events such as the Funder's Fayre and the Third Sector will be held every 2 years on a rotating basis to achieve cost savings. The support for social enterprise is now being shared on a pan Forth Valley basis. This provides access to a wider range of support as well generating income for CVS.

**Which areas does this service / organisation cover within the Council area – Be Specific.**

CVS operates across the whole Council area.

## C ASSESSMENT OF PERFORMANCE

**Set out current agreed performance information alongside previous years and future years. If there is any benchmarking information provide that.**

CVS has a total of 59 activities sitting within its workplan, spread across its key objectives. Of those 4 (7%) activities were significantly behind target, but with recovery plans in place into the next financial year, 13 (22%) activities were slightly behind target, and 42 (71%) activities were on or ahead of target.

The activities which were slightly or significantly behind target included:

- Although volunteers received certificates the annual award ceremony wasn't held to help achieve savings. The number of events supporting volunteering has also been reduced for this purpose.
- Performance in supporting social enterprise was set for the year based on dedicated provision from CVS Falkirk. The model of service has changed to be provided on a Forth Valley basis, hence why Falkirk focused targets have not been met.
- A number of meetings / events within outcome 3 (Third Sector Organisations are Well Governed & Managed to Deliver Quality Outcomes) have not met targeted as their frequency has been reset to achieve savings.
- Locality planning activity is being focused on areas of multiple deprivation only as this is a condition of Aspiring Communities funding.
- The publication of the CVS workplan has been rescheduled to a quarterly frequency.

**Are there any aspects of performance that are causing concern or need to be improved. If so what are they and what are the plans for improvement.**

CVS is subject to quarterly monitoring when performance is discussed and reviewed. Activities significantly behind target are reviewed to understand the context to this, as well as the recovery plans which are in place to rectify matters.

**When was the last time the service was reviewed and what plans are there to review this?**

The Joint Working Agreement has been reviewed and amended with this being signed off in September 2017. This will be further reviewed and amended where necessary in September 2018.

## C FINANCIAL / RISK ASSESSMENT OVERVIEW

**Set out Falkirk Council funding as a % of the organisations budget. Including financial and in kind contributions.**

25.7%. .

**List other sources of funding the organisation has and how much is provided by source.**

- Aspiring Communities Fund - £40,772
- NHS Forth Valley - £100,000
- Scottish Government - £185,600
- SCVO - £13,362
- Other Funding - £28,427

<b>What is the amount of uncommitted reserves held by the organisation?</b> £106,787 at 31 March 2018
<b>What proportion of operation cost do reserves represent?</b> 21.6, this is just above the minimum threshold of 20%. The Chief Executive of CVS has been advised of this. This represents a continuing trend of reducing levels of reserves.
<b><u>Last Period of Submitted Audited Accounts</u></b> <u>2017 / 18 (draft accounts)</u>
<b>What other services does the Council fund that are similar to this organisation including Council provision and to what level are those activities funded?</b> None
<b>Future sustainability- Are there ways in which the organisation can improve resilience and decrease the money required from the Council?</b> CVS has already embarked on reorganisation and downsizing in response to recent budget reductions. Further measures have been implemented to reduce costs such as re-setting the frequency of major events and service sharing with other Third Sector Interface organisations across Forth Valley.
<b>How can reductions in funding be achieved?</b> CVS has been able to absorb reductions in funding in previous years but in 2017/18 the organisation has had to implement service reductions and savings to meet its financial targets. Levels of reserves are also just above the minimum level required.
<b>What is the risk to the Council if these services are not funded?</b> The risk to the Council is that CVS will have to reduce its offering in direct proportion to the reductions in funding it experiences. The key risk is that both the Council and the Community Planning Partnership will lose one of its key means of accessing the Third Sector locally and a representative voice on behalf of the sector.
<b>Overall Risk Rating (Low/Medium/High)</b> <u>Low</u>

<b>D CONCLUSIONS</b>	
<b>Summary of the future activities of the organisation that will allow services to continue to be delivered.</b>	
<p>CVS has an established track record of supporting the local third sector, for which performance during 2017/18 has upheld this. A revised joint working agreement will be developed in September 2018 to better reflect the revised level of funding CVS receives. Priority has been given to supporting Community Planning, and particular locality planning, with volunteering remaining as a key priority. Support for social enterprise has significantly diminished to reflect CVS's revised priorities, and is increasingly supported on a pan Forth Valley basis.</p>	
<b>E COMPLETED BY</b>	
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<u>Date</u>	4 May 2018