

<b>Report to Health &amp; Wellbeing Board</b> <b>Report of Dr Mike Gogarty, Director of Public Health</b>	<b>Item 8b</b> <b>Reference number HWB/011/13</b>
<b>Date of meeting</b> 16 <sup>th</sup> July 2013 <b>Date of report</b> 3 <sup>rd</sup> July 2013	<b>County Divisions affected by the decision</b> All divisions
<b>Public Health Grants to the Voluntary &amp; Community Sector Strategy</b>	
<b>Report by</b> Mike Gogarty – Director of Public Health	
<b>Enquiries to</b> Jane Richards – Assistant Director of Public Health	

## **1. Purpose of report**

- 1.1 To inform the Health & Wellbeing Board of the current grant agreement arrangements in place with the voluntary and community sector (VCS) as a result of the Public Health transition from the former PCTs to Essex County Council
- 1.2 To set out the issues that need to be taken into consideration with respect to future funding of the sector from 1st April 2014 onwards

## **2. Recommendations**

- 2.1.1 To agree that commissioning leads for voluntary sector funding progress a common approach that is line with the objectives of the Essex Community & Voluntary Sector Strategy and enables processes to be put into place by the beginning of Q3 2013/14 to ensure that projects that meet ECC corporate priorities are commissioned and contracts are in place by 1<sup>st</sup> April 2014

## **3. Background and proposal**

- 3.1 The need to have a consistent approach to funding the Voluntary Community Sector (VCS) was identified early in the transition process of the Public Health function from the previous NHS organisations to Essex County Council.

Each of the PCTs had varying levels of investment in the VCS and the following principles were agreed as fundamental to the transition process

- Grants to projects whose outcomes met CCG commissioning priorities to remain with the relevant CCG
- Grants to projects whose outcomes met Public Health commissioning priorities to be transferred to ECC and new contracts to be issued with effect from 1st April 2013 for a period of one year

This approach was articulated through papers that were initially agreed by the then PCT Cluster Board in January 2012 (embedded below) and then individually with the relevant CCGs

- 3.2 Historically processes for awarding grants to voluntary and community sector organisations have varied between PCTs with a range of projects being supported through different forms of agreement and for varying timeframes. Although Public Health had led the management of grant agreements in two PCTs, Mid and North East Essex, this was not the case in the other PCTs where responsibility lay with a range of functions. It was therefore agreed as a priority that the transition of PCTs to the new commissioning organisations, and in particular that of Public Health to ECC, should not destabilise the sector. Thus where existing grants were due to cease on 31st March 2013 new contracts have been drawn up and agreed, extending funding for a further year. In cases where grants were not due to cease until 31st March 2014 the relevant grants were simply moved over to ECC and continue to be resourced as previously set out in the existing grant agreements. A spreadsheet that sets out details of all contracts that are in place with the VCS through the Public Health Grant is embedded in section 9 below.
- 3.3 Throughout the transition period and moving forward it has been a priority to communicate with both the sector and the CCGs and this has been achieved through a range of channels including presentations at sector events, such as the Mid Essex Voluntary Sector Forum and the Essex Rural Partnership.
- 3.4 It was agreed that during 2013/14 work would be undertaken in ECC to align the commissioning and grant making processes across the organisation to ensure that where projects are delivering shared outcomes, these are being commissioned and performance managed in the most effective way possible avoiding duplication and increasing process efficiency for the benefit of both the recipient organisations and ECC
- 3.5 Given the length of time required to manage a grant making process agreement must be reached by the end of Q2 of this year with respect to the future intentions for 2014/5 onwards so that these can be communicated to the sector at the earliest opportunity.

It is therefore proposed that ECC commissioning leads should agree a common approach for future commissioning of projects that meet the outcomes required

by corporate priorities by the end of Quarter 2 2013/14 with a view to putting into place a process that will enable contracts to be in place by 1<sup>st</sup> April 2014. This process will meet the objectives developed as part of the Essex Voluntary & Community Sector Strategy and will form part of a partnership approach to future commissioning intentions.

#### **4. Policy context**

- 4.1. The Whole Essex Community Budget (WECB) programme has initiated two projects that will have an impact on future VCS funding.
- 4.2. The first is to develop a public sector VCS Strategy, to include all public-sector partner organisations in Essex. This new Strategy will articulate the public sector's commitment to supporting the VCS and ensuring the sector is a key part of our commissioning and grant-funding process. It will provide a clear and consistent public-sector-wide approach to commissioning the VCS, using a set of key principles. It will also outline a number of expectations for commissioners & the VCS to adhere to and will present opportunities for the VCS to engage in commissioning. The strategy will provide a framework against which future funding will take place, whether it be grant-funding or commissioned contracts. It is intended that the new strategy will be published by October 2013.
- 4.3. The second WECB project is the Community Resilience Fund (CRF). This is a partnership endowment fund that will develop community resilience & capacity and support innovation by providing grants from a sustainable revenue source. The fund will provide grants for voluntary activity to create strong and resilient communities where people help each other, supported by a vibrant VCS. The long term aim is to build the value of the endowment up to circa £50m, which could then, through a process of investment, generate grants in excess of £2.5m per annum, without funding being subject to the unpredictability associated with public sector funding streams. The CRF aims to streamline existing funding and provide a single source of grant funding for voluntary and community activity targeted at addressing shared outcomes.
- 4.4. It should be noted that the on-going implementation of Essex County Council's Transformation Project means that specific details around how much grant funding will be available and where commissioning responsibility for specific VCS funding streams will lie, is still under discussion which means we are unable at this stage to provide exact figures for 2014-15 and beyond.

#### **5. Financial Implications**

- 5.1. For 2013-14, Voluntary and Community Sector grants total £1.351m. Funding for the grants to these external organisations is contained within existing budgets and is funded from the Public Health Grant of £48.874m for 2013-14, from Department of Health.

- 5.2. For 2014-15, the Public Health Grant allocation for ECC is £50.242m. Public health related grants to Voluntary and Community Sector organisations will be funded from this grant allocation.

## **6. Legal Implications**

The Council's public health powers derive from the Health and Social Care Act 2012. These are introduced by a series of amendments to the National Health Service Act 2006. The most significant provision is S.12 of the 2012 Act which inserts a new section 2B into the 2006 Act. The new S. 2B gives each local authority a duty to take such steps as it considers appropriate to improve the health of the people in its area. This section also gives the Secretary of State a power to take steps to improve the health of the people in England. The section also gives examples of health improvement steps that local authorities may take. These proposals come within the statutory powers.

## **7. Staffing and other resource implications**

- 7.1. There are no staffing or other resources implications involved in this issue

## **8. Equality and Diversity implications**

- 8.1. The projects that are currently funded through this resource seek to reduce inequalities across Essex and therefore are targeted at those communities least likely to access universal services.
- 8.2. Any decision related to future funding for projects delivered through the third sector is likely to impact on such communities

## **9. Background papers**

- 9.1. NHS North Essex Board Paper - PCT funding for voluntary organisations from



Voluntary Sector  
Funding Board Paper  
April 2012

- 9.2. Breakdown of Public Health grants to Voluntary and Community Sector



Info\_AN.xlsx

organisations for 2013/14