

AGENDA MANAGEMENT SHEET

Name of Committee

The Cabinet

Date of Committee

7 December 2006

Report Title

**Voluntary and Community Sector
Developments**

Summary

This report updates Cabinet on possible changes in the structure of key organisations in the voluntary and community sector.

**For further information
please contact:**

John Lyons
Voluntary Sector and
Equalities Manager
Tel: 01926 412497
johnlyons@warwickshire.gov.uk

**Would the recommended
decision be contrary to the
Budget and Policy
Framework?**

No.

Background papers

None

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

Other Committees

.....

Local Member(s)

Area Committee Chairs – Cllr Longden has asked that the Cabinet seeks the views of Area Committees on these developments

Other Elected Members

Cabinet Member

Peter Fowler

Chief Executive

.....

Legal

.....

Finance

.....

Strategic Directors

Graeme Betts, David Carter

District Councils

.....

Health Authority

.....

Police

Other Bodies/Individuals

FINAL DECISION NO

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

Agenda No

The Cabinet - 7 December 2006.

Voluntary and Community Sector Developments

Report of the Strategic Director of Performance and Development

Recommendation

That the Cabinet supports discussions with key Voluntary and Community Sector organisations about their future organisation and structures and asks for a progress report in six months time

- 1 The Council currently provides core-funding support to a number of Voluntary and Community Sector (VCS) organisations by way of annual grants. The purpose of core funding is to support key organisations in the VCS that provide infrastructure support to the sector generally or provide services that are complementary to those of the County Council and which promote community well-being. Core funded organisations include:
 - ❑ Councils for Voluntary service (CVS)
 - ❑ Volunteer Centres (VC)
 - ❑ Citizens Advice Bureaux (CAB)
 - ❑ Warwickshire Employment Rights Services (WERS)
- 2 The five existing CVS and VC have commissioned consultants to review their organisation and structure with a view to developing proposals to make them more robust. This is in line with Government policy to modernise the infrastructure of the voluntary and community sector, through an initiative known as ChangeUp and reflects local thinking about the capacity of the existing network of organisations to provide the range of services needed by the community groups and volunteers supported by these organisations. The review will look at the options for merger or some other form of reconfiguration.
- 3 The Nuneaton & Bedworth and Rugby CABx and WERS have also been discussing proposals for merger, in conjunction with Citizens Advice - the national association of CABx. The CAB case for merger is in many ways similar to that of the CVS/VC's – economies of scale and the sharing of IT and other back office functions - but there are also a number of specific changes

in the likely availability of external funding which puts the continuation of stand-alone bureaux at risk:

- Nuneaton & Bedworth, Rugby [and Warwick] CABx and WERS all provide various legal advice services under contract with the Community Legal Service. The CLS are looking to change their contracting arrangements in order to rationalise the number of providers nationally. This means that only those providers that can provide a comprehensive range of legal advice services are likely to be able to renew their contracts and this will effectively exclude stand-alone CABx.
 - The Advice Plus stream of the Big Lottery Fund has indicated that over the next two years it will limit its grants for advice services in the West Midlands to around a dozen projects and stand-alone CABx are therefore unlikely to be able to obtain grants.
- 4 It is inevitable that local people will see this sort of proposal as a potential loss of a local organisation and there will be concerns about whether a new larger body will be an appropriate alternative. The reality is that without such changes these local services are increasingly unlikely to be able to develop or even maintain their current level of service and this could result in closure or the local authorities being asked to come up with a rescue package as funding streams close
- 5 I have asked to be kept informed of developments at each stage of these reviews in order to ensure that the eventual proposals will tie in with the Council's aims. We need to ensure that our future relationship with these organisations meets the Council's requirements to improve quality of life for people in Warwickshire in line with our corporate objectives and in particular that they are fit for purpose in working with the Council and other public bodies as partners in implementing the Local Area Agreement. I have indicated that the Council is likely to be concerned about:
- Whether the role and function proposed for the new organisation(s) is in line with the Council's objectives and therefore whether we would wish to support it
 - The scope of the new organisation(s) – which existing organisations will be included and the implications for those who are not
 - Relationships with other significant voluntary organisations not part of the reviews – Warwickshire Rural Community Council, Warwickshire Race Equality Partnership and Warwickshire Welfare Rights Advice Service.
 - How overall coordination and economies of scale will be combined with local service access, taking advantage of opportunities for co-location with one-stop shops etc., where appropriate
 - The relationship between core funded work that the Council will be asked to support and other trading activity
 - The affordability and sustainability of the proposals – whether they can be fully funded and the implications for the Council

- Maintaining and developing support from District Councils who are also significant funders and whose commitment to whatever is proposed is vital and also whether additional support can be obtained from other public bodies
- Keeping councillors informed of developments and addressing any concerns they might have

1.5 In both cases, lots of work will need to be done to implement any proposed changes. The existing organisations are separate legal entities and arrangements for their dissolution and transfer of assets and staff will no doubt be complicated and detailed planning will be needed to set up any new organisations. It is therefore anticipated that any changes in the CVS/VC arrangements, if agreed, will not take place until around April 2010, although the CAB merger could be by the end of 2007.

1.6 Cabinet is asked to note the above developments and to confirm its support for discussions with the VCS organisations concerned to continue along the lines suggested

David Carter
Director of Performance and
Development

Shire Hall
Warwick
November 2006