

## Report of the Cabinet Member for Finance and Resources

Cabinet - 6 May 2014

### EXTERNAL FUNDING PANEL

|                                    |  |
|------------------------------------|--|
| <b>Purpose:</b>                    | To consider a proposal to establish an External Funding Panel, which will be a committee of Cabinet  |
| <b>Policy Framework:</b>           | Medium Term Financial Plan; <i>Sustainable Swansea – fit for the future</i>  |
| <b>Reason for Decision:</b>        | To improve oversight of the Council's external funding: both grants to the third sector in Swansea and external funding that the Council receives  |
| <b>Consultation:</b>               | Legal, Finance.  |
| <b>Recommendation(s):</b>          | It is recommended:<br><br>1) That a Committee of Cabinet is set up called the External Funding Panel with the terms and reference and composition as set out in the Appendix to this report. |
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| <b>Finance Officer:</b>            | Ben Smith  |
| <b>Legal Officer:</b>              | Pat Arran  |
| <b>Access to Services Officer:</b> | Euros Owen   |

#### 1.0 Introduction

1.1 This report proposes the establishment of an External Funding Panel to oversee the Council's external funding arrangements. The Panel would have two roles:

- Oversight of the allocation of all third sector funding across the Council
- Oversight of the Council's external funding opportunities

## 2.0 Background and Purpose

2.1 The current Swansea Change Fund Panel meets annually to decide upon the applications to the Fund. There is no other mechanism for overseeing third sector funding. Neither is there a mechanism for overseeing applications from the Council for funding from external bodies such as Welsh Government, European Union and so on.

2.2 It is considered that oversight arrangements need to be strengthened in both these areas to secure the following objectives:

- To provide greater assurance that external funding (both to others and from others) is linked to Council priorities
- To enable oversight of the full range of third sector relationships
- To support the development of a new third sector policy and commissioning priorities, linked to *Sustainable Swansea, fit for the future*
- To enable political overview of the implications of each grant

## 3.0 Scope of the Proposal

3.1 The new arrangements would cover:

- All bids by the Council for external funding, except those set out in 3.2
- All bids on a regional or multi agency basis where the Council is either lead body or a partner
- All funding allocated by, or through, the Council to external organisations, including:
  - Grants to third sector bodies and community groups from the Swansea Change Fund and other Service based grants pots
  - Service Level Agreements with third sector bodies:
    - § Swansea Council for Voluntary Service (SCVS)
    - § Swansea Citizens Advice Bureau (CAB)
    - § Swansea Environmental Forum (SEF)
  - Grant funding allocated to programmes such as Families First, Flying Start, where the Council can influence spend
  - Community Action Transformation Fund
  - Landfill Communities Fund
- The Council's Third Sector policy and relationships including delivery of shared priorities, collaboration and joint working

3.2 The new arrangements would **exclude**:

- Revenue Support Grant, Non Domestic Rates redistribution and Specific Grants from Welsh Government, including Welsh European Funding Office
- Schools funding
- Contracts let to Third Sector organisations: these will be picked up as part of the Third Party Spend strand of *Sustainable Swansea*

- External Trust Funds administered by the Council (eg: the Welsh Church Act Fund), where a Trustees Panel already exists

#### **4.0 Terms of Reference, Composition and Working Arrangements**

4.1 The proposed terms of reference and composition of the External Funding Panel is set out in the **Appendix** to this report.

4.2 The Panel will meet bi-monthly, or as required. An annual work plan will be determined. This might include:

- Third Sector Funding overview
- Review of criteria for the allocation of external funds
- Review a new Third Sector policy, linked to the delivery of the outcomes in *Sustainable Swansea, fit for the future*
- Harmonising application processes for funding programmes
- Community Action Transformation Fund applications
- Community Hub proposals and joint working/premises sharing for third sector organisations
- Review of policy on In-Kind assistance
- Opportunities for Joint Commissioning of services
- Support for Third Sector for new models of delivery

4.3 An annual report with the outcomes from the work plan and any decisions required will be presented to Cabinet.

4.4 The Panel will be supported by the Head of Poverty and Prevention and the Head of Finance and Delivery.

#### **5.0 Equality & Engagement Implications**

5.1 Equality Impact Assessments will be undertaken as appropriate on any decision to change significantly funding to third sector organisations including any engagement required. As it develops the Council's Third Sector Policy will be subject to the Equality Impact Assessment process.

#### **6.0 Financial Implications**

6.1 There are no direct financial implications arising from this report. The proposal will assist the Council to achieve greater value for money from the use of external funding and to manage the risks involved more effectively.

#### **7.0 Legal Implications**

7.1 Section 15 of the Local Government Act 2000 allows an Executive to delegate some of its functions to a committee of the Executive. This is such an arrangement and its functions are set out in the terms of reference attached to the report.

7.2 For the purposes of transparency it is advised that the terms of reference of any committee of Cabinet are included in the Scheme of Delegation in Part 3 of the Constitution.

**Background Papers:** None.

**Appendices:** External Funding Panel Terms of Reference and Composition

**CITY AND COUNTY OF SWANSEA  
EXTERNAL FUNDING PANEL**

**TERMS OF REFERENCE AND COMPOSITION**

| <b>PURPOSE</b>   |
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| <ul style="list-style-type: none"> <li>• To oversee the allocation of all third sector funding across the Council</li> <li>• To oversee the Council's external funding opportunities</li> </ul>  |
| <b>TERMS OF REFERENCE</b>  |
| <p><b>Third Sector Funding</b></p> <ol style="list-style-type: none"> <li>1. Determine the Criteria for the Swansea Change Fund and other Council grant pots, including the Community Action Transformation Fund</li> <li>2. Allocate the Swansea Change Fund and other funds according to the criteria adopted</li> <li>3. Maintain an overview of all Third Sector and community funding across the City &amp; County of Swansea Council, including outcomes achieved</li> <li>4. Determine and support the Council's Third Sector policy and relationship across the City &amp; County of Swansea (including the formal Compact with the Third Sector)</li> <li>5. Support collaboration and joint working between Third Sector and community organisations and between Third Sector organisations and the Council</li> </ol> <p><b>External Funding</b></p> <ol style="list-style-type: none"> <li>6. Oversee the Council's policy for seeking external funding to support its priorities</li> <li>7. Provide a gateway for all Council applications for external funding</li> <li>8. Review outcomes from external funding</li> </ol> |
| <b>MEMBERSHIP</b>  |
| <p>Cabinet Member for Finance (Chair)</p> <p>Leader (or nominee)</p> <p>Cabinet Member for Target Areas (for grants)</p> <p>Cabinet Member for Regeneration (for external funding)</p> <p>2 Observers nominated by the Third Sector (for Third sector matters)</p> <p>Observer nominated by Community Councils' Forum (for Community Action Transformation Fund matters)</p> <p>Other Cabinet Members invited as appropriate</p>   |

