

<b>Classification:</b> Open	<b>Date:</b> 4 April 2011	<b>Decision Maker:</b> Cabinet Member for Children's Services
<b>Report title:</b>	Children's Services (Education) Out of School Hours Study Support Programme – Grants Commissioning Allocations: 2011/2012	
<b>Ward(s) or groups affected:</b>	All	
<b>From:</b>	Strategic Director of Children's Services	

## RECOMMENDATIONS

1. That the Cabinet Member for Children's Services approves the allocations set out in Appendix 1 of this report. The consequent Children's Services Grants Commissioning Allocations, covering Out of School Hours Study Support (OSHSS), for voluntary sector community organisations for 2011-2012 will therefore be £200,000 as indicated in the allocations attached in the appendix. This represents a £150,000, or 43%, reduction in the overall council Out of School Hours Study Support Programme as agreed as part of the budget at Council Assembly on 22 February this year. In order to protect front line services, the reductions to VCS providers is 19% and much greater savings have been made in other areas.
2. That the Cabinet Member notes that officers will continue to work closely with supplementary schools on the current programme of capacity building to equip organisations to access alternative sources of funding and improve long-term sustainability, including brokering long-term funding relationships with mainstream schools.
3. That the Cabinet Member for Children's Services notes the conditions placed on some of the providers requiring the Strategic Director of Children's Services to notify the relevant providers of the conditions and to monitor their progress and to withhold or withdraw funding should the conditions not be met.

## BACKGROUND INFORMATION

4. In March 2010 the Executive Member for Children's Services approved the report '*Out of School Hours Study Support – Children's Services (Education) Grants Commissioning Allocations: 2009/2012 Year 2*' linked to the 'More for children and young people to do' priority of the Children and Young People's Plan (CYPP). This confirmed the grant allocations to supplementary education and mother tongue classes in the borough. A total allocation of £312,891 (without staff costs) was approved for 2010-2011, year two of a three year funding cycle.
5. On 22 February 2011 Council Assembly agreed the core funded revenue proposals which included a reduction in the budget for Out of School Hours Study Support (OSHSS) of £150,000 in 2011-12 out of a total budget of £350,000.
6. Officers have been consulting informally with the voluntary sector throughout the final quarter of this year. Although formal notices have not yet been issued,

organisations were asked to model the impact of a reduction of up to 20% in funding. Whilst the proposed reductions are difficult, no organisations have reported that as a result their viability is threatened.

## **KEY ISSUES FOR CONSIDERATION**

7. The current OSHSS programme is one part of the Children's Services Commissioning programme. For 2010-2011 grants totaling £246,142 have been made to community and voluntary sector organisations. This consisted of funding to 28 projects across the 21 organisations already operating within the programme. Five organisations received funding for two projects. In addition £103,858 was allocated for the summer programme, sector training, a co-ordinator post and development funding for a new umbrella organisation. Funding was allocated to organisations using the funding formula for the sector.
8. Over 1300 children a week have continued to use the services during term time. Approximately 90 children took part in the summer programme. Southwark Muslim Women's Association (SMWA) remained the highest funded organisation despite the fact that funding to their adult services was withdrawn in March 2008.
9. Plans had been in place to create a new umbrella group to specifically support OSHSS providers. However, given the scale of the government cuts, our priority is to protect frontline delivery. Therefore we will be looking to develop the existing umbrella support for VCS to meet the particular needs of this provider group, instead of setting up a new umbrella group.
10. The Leader of the Council wrote to the Chairs of every voluntary and community sector organisation that received funding from the Council early in November 2010 to explain the financial challenge that faced Southwark, including the nearly 30% reduction in core funding from central government announced in December. Voluntary organisations were encouraged to begin the work of planning for reductions whilst recognising that some organisations had already had reductions, for example because of the in-year cuts announced in the government's June emergency budget.
11. The Leader of the Council has made a clear commitment to the voluntary sector that three months' notice will be given to any provider of a change to their likely funding. As a consequence, this report recommends that funding is provided differentially over the financial year 2011-12.
12. Therefore each VCS provider will receive the same level of funding in the first quarter of 2011-12 as they did in the last quarter of 2010-11. The required savings will then be met through a pro rata reduction in the last three quarters of the financial year 2011-12. The net effect over the year will be a reduction for each provider of 19%. If instead individual providers would prefer the savings to be made evenly over four quarters this can be negotiated on a case by case basis.
13. The priorities and criteria for the allocations of the voluntary sector commissioning programme are designed to take into account the Council's strategic objectives, the objectives of the Children and Young People's Plan and the key outcomes of Every Child Matters. All services commissioned will be monitored and assessed against the four overarching 'Quality Standards' indicated in the Commissioning Framework set out in the September 2008 report. The Quality Standards, and hence reporting expectations, will be based on the following:

- Impact on children and young people
  - Relationship with stakeholders
  - Quality of resources - staffing excellence
  - Strategic and operational leadership and management.
14. The general principles adopted in arriving at the recommended allocations have been:
- Application of the funding formula to determine the level of funding
  - All providers demonstrating that they can meet the specification, that they are willing to sign up to targets and that they are equipped to provide the necessary monitoring information.
  - Inclusion of conditions where a provider has fallen short of the required standards
  - Where the difference between expectations and current delivery standards is extreme and there are concerns about the provider's ability to improve, that the Cabinet Member for Children's Services and Education is recommended to only approve an allocation for the first six months, up to September 2011.
  - Where there has been evidence that the organisation has not been able to bridge the gap between expectations and actual performance, that the service provider is decommissioned or the allocation reduced to match the level of service being delivered by the organisation.

#### **Recommended Funding Allocations – Out of School Hours Study Support**

15. All of the groups were assessed as having provided satisfactory or better services in 2010-11 and it is therefore recommended that all groups be eligible for funding in 2011-12 as set out in the appendix.

#### **New funding proposals**

16. As the programme was not advertised there are no new funding recommendations. Service Providers are encouraged to seek more sustainable funding arrangements for the future and make full use of any additional opportunities arising for voluntary sector groups.

#### **Decommissioning recommendations**

17. No organisations have been recommended for decommissioning. However, three centrally managed projects have been cut from the programme to contribute £66,749 to the overall savings. In addition the Schools' Forum has agreed to resource the co-ordinator post over 2011-12 from the retained schools budget. This will release a further £37,109 of core funding, and will continue to provide the capacity for close working with the providers, and Community Action Southwark, to support bids to the Council's Transition Fund that aim to secure sustainable long term support for the sector including training and development activities over 2011-12

## **Policy Implications**

18. The Council's Compact on working with communities seeks to ensure that where community and voluntary organisations depend on councils as their main or sole source of funding that they are consulted and given an adequate amount of time to plan and prepare for any loss of income consequent upon such policy changes. Where providers are able to offer up savings in the initial three month period these will be accepted, however, it is recognised that implementing cuts is challenging for the sector, and officers are mindful of the Council's commitment to a three-month notice period under the terms of the Southwark VCS Compact.

## **Community Impact Statement**

19. The majority of projects funded by this programme target Black and Minority Ethnic groups or newly emerging communities, a few have begun to focus on white working class. The OSHSS programme supports young people, many of whom English is not their first language and provides tuition and educational support (supplementary education).
20. All the service providers supported under this programme are required to provide monitoring information that demonstrates the impact of the services and their contribution to meeting the needs of young people in an inclusive fashion. All organisations will be required to provide information on the ethnicity and gender of their participants.
21. Officers will continue to work closely with supplementary schools on the current programme of capacity building to equip organisations to access alternative sources of funding, including brokering long-term funding relationships with mainstream schools.

## **Resource Implications (CS00132FH)**

22. Table 1 below shows the overall budget for the OSHSS commissioning programme for Children's Services as also detailed in Appendix 1. The 2011-12 budget was recently agreed by Cabinet, this included a £150k savings for Supplementary Schools. This proposal meets this requirement.
23. This proposal assumes that staffing costs of £37k can be met through the Ethnic Minority Achievement Grant (EMAG) retained element. This was agreed by the Schools Forum (Agenda Paper 8) of 17 February 2011 as set out below:
  - £40k Piloting new ways of working, partnerships with other providers (officer time, support to schools to pilot and evaluate, funding for participating providers)
    - Piloting new ways of working , facilitating schools to access community/voluntary sector based provision to support the raising of standards through closer partnership working, informed by evaluation of existing practice i.e. Civitas provision in primary schools and pre-Neet project at STAC.
24. Where appropriate, grant aid is used to attract external funding from other grant awarding bodies or trusts. Income generation, fund raising and 'traded services' is encouraged to achieve long-term sustainability.

25. The recommendation is contained within the body of the report (paragraph 1) and the summary of the savings achieved by this recommendation are set out below in Table 1.

**Table 1 – Summary of Savings from the OSHSS Programme 2011-2012**

<b>Item</b>	<b>2010/11</b>	<b>2011/12</b>	<b>Savings 2011/2012</b>
Allocations	£246k	£200k	£46k
Support and Training	£ 67k	£0	£67k
Officer post	£ 37k	£0k	£37k
<b>Total</b>	<b>£350k</b>	<b>£200k</b>	<b>£150k</b>

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Communities, Law & Governance**

26. The Cabinet Member is advised that Part 3D of the Council's Constitution confirms that grants to voluntary organisations over £2,500 (apart from those under the Community Support Programme) are reserved to the Individual Decision Making (IDM) process.
27. There are no specific legal implications relating to the recommendations in this report, other than the requirement that the Council shall in considering any actions it is to take, have regard to the duties of Best Value introduced by the Local Government Act 1999. As noted in this report the Council budget for 2011/12 has been agreed, and it is against this background that the Cabinet Member is asked to approve the reduced allocations.

### **Finance Director**

28. The financial implications are contained within the body of the report.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Voluntary Sector – Fast Track Review	Community Engagement Division	Bonnie Royal 020 7525 7389
Southwark Compact	Community Engagement Division	Bonnie Royal 020 7525 7389
More for children and young people to do – Children’s Services (Education) Grants Commissioning Plan: 2009/2012		Colin Gale 0207 525 51107
Out of School Hours Study Support – Children’s Services (Education) Grants Commissioning Allocations: 2009/2012 Year 2		Hugh Stultz 020 7525 5194

## APPENDICES

No.	Title
Appendix 1	Grant allocations

## AUDIT TRAIL

<b>Lead Officer</b>	Christine McInnes, Assistant Director (Leadership, Innovation and Learning Support Division)	
<b>Report Author</b>	Elvira Gregory (EMA manager)	
<b>Version</b>	Final	
<b>Dated</b>	29 March 2011	
<b>Key Decision?</b>	Yes.	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Communities, Law & Governance	No	No
Finance Director	No	No
Strategic Finance Manager	Yes	Yes
Principal Lawyer	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Officer</b>	4 April 2011	