

**SPECIAL POLICY & RESOURCES CABINET BOARD**

**13<sup>TH</sup> DECEMBER 2013**

**CHIEF EXECUTIVE'S OFFICE**

**REPORT OF THE HEAD OF CORPORATE STRATEGY  
& DEMOCRATIC SERVICES**

**K. JONES**

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**PART 1 - Doc Code: PRB-131213-REP-CE-KJ**

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## **Purpose of Report**

To present the final recommendations of the review of funding to third sector organisations in Neath Port Talbot and to seek Member's decisions in relation to the recommendations made.

## **Background**

The Policy and Resources Cabinet Board considered the initial recommendations of the Steering Group set up to conduct a review of funding to third sector organisations at its meeting on 8<sup>th</sup> November 2013. Having considered the recommendations and having additionally determined that the fireworks grant of £4,000 should be also removed in its entirety, the Cabinet Board authorised a one month consultation period on the Steering Group's report, to provide the organisations affected by the review with a further opportunity to make representations. The Cabinet Board also invited the Steering Group to consider any consultation responses received by the Council and to review their initial recommendations in light of those consultation responses.

The consultation period ended 8<sup>th</sup> December 2013. The Steering Group has considered all of the responses made up to and including December 9<sup>th</sup> 2013. The Steering Group's final report is included at Annex 1 for Members to consider and make final decisions as to the distribution of the required financial savings against third sector organisations in 2014/15.

## **Equality Impact Assessment**

An Equality Impact Assessment (EIA) has been undertaken to assist the Council in discharging its Public Sector Equality Duty under the Equality Act 2010. An overview of the EIA has been included in this report in summary form only and it is essential that Members read the Equality Impact Assessment, which is attached to the report at Appendix A, for the purposes of the meeting.

Members are advised that the reduction of funding to third sector organisations will have an overall negative impact on a number of protected groups identified in the Equality Act 2010. In particular: young people; older people; disabled people; religion and belief; and people from ethnic minority background. Due to limitations in data, the impact on other protected groups, including: marriage/civil partnership; gender reassignment; sex; pregnancy and maternity; sexual orientation; and the Welsh language is unquantifiable.

To inform the Council's own equality impact assessment, all organisations affected by the review of funding to third sector organisations were asked to submit their own

impact assessment. In the event, only a small number chose to do this. The details of the assessments returned to the Council during the consultation period are shown at Appendix 4 to the report.

There are a number of mitigating actions that the Steering Group has highlighted to the Council as being able to reduce the impact on protected groups. These are contained on page 13 of the Steering Group's final report, paragraph 5.2.

### **Recommended**

Having given due regard to the Equality Impact Assessment it is recommended that:

1. Members consider the Steering Group's final report set out at Annex 1, and determine if the proposed reductions in funding set out in Appendix 6 to that report should be implemented for the financial year 2014/15.
2. Subject to 1 above, Members authorise the Chief Executive and the Director of Finance and Corporate Services to build the detail of those funding reductions into the Council's overall budget strategy for 2014/15 and also authorise the Chief Executive and the Director of Finance and Corporate Services to take the necessary steps to issue formal notice of the proposed funding cuts to the organisations affected by the review by 31<sup>st</sup> December 2013.
3. Members consider the other recommendations made by the Steering Group which are set out in Appendix 5 to the report and determine if those recommendations should be implemented.
4. Subject to 3 above, Members require the Chief Executive to prepare an action plan identifying the steps that will be taken to fully implement the recommendations contained in Appendix 5 to the report and for that action plan to be submitted to the Policy and Resources Cabinet Board for approval before the commencement of the financial year 2014/15.

### **Reason for Proposed Decision**

To enable the Council to achieve the financial targets set out in the Forward Financial Plan approved by Council in June 2013 and the additional financial targets contained within the Cabinet Report considered on 30<sup>th</sup> October 2013.

To comply with the requirement of the Equality Act 2010 to have due regard to the equality impact of the proposed decision.

## **List of Background Papers**

- Forward Financial Plan 2014-2018, Cabinet, June 2013
- The Structure of the 2014/15 Budget, Cabinet (Special), October 2013
- Review of Funding to Third and Community Sector Organisations, Terms of Reference, Policy and Resources Cabinet Board, June 2013
- Review of Third Sector Funding, Policy and Resources Cabinet Board, November 2013
- Consultation Responses from third sector organisations
- Petition received from Neath Antiquarians Society

## **Wards Affected**

All

### **Officer Contact:**

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# **COMPLIANCE STATEMENT**

## **REVIEW OF THIRD SECTOR FUNDING**

### **Implementation of Decision**

The discussion is proposed for implementation after the three day call in period.

### **Sustainability Appraisal**

#### **Community Plan Impacts**

Economic Prosperity	- negative
Education & Lifelong Learning	- negative
Better Health & Well Being	- negative
Environment & Transport	- negative
Crime & Disorder	- neutral

#### **Other Impacts**

Welsh Language	- negative
Sustainable Development	- negative
Equalities	- negative
Social Inclusion	- negative

### **Consultation**

Consultation has been undertaken with the sector from the outset of the review. A formal period of one month's consultation was additionally undertaken from 8<sup>th</sup> November 2013 to 8<sup>th</sup> December 2013 following consideration of the initial recommendations of the Steering Group to the Policy and Resources Cabinet Board on 8<sup>th</sup> November 2013.

**Equality Impact Assessment (EIA) Report Form**  
**for Budget Proposals 2014/15 - Stage 1**

This form should be completed for each Equality Impact Assessment on a new or existing function, a reduction or closure of service, any policy, procedure, strategy, plan or project which has been screened and found relevant to Equality and Diversity. It is presently being piloted for proposals for budget reductions in front line services.

**Please refer to the ‘Equality Impact Assessment Guidance’ while completing this form. If you would like further guidance please contact the Corporate Strategy Team or your directorate Heads of Service Equality Champion.**

<b>Where do you work?</b>	
Service Area:	Corporate Strategy and Democratic Services
Directorate:	Chief Executive’s Office

**(a) This EIA is being completed for a...**

Service/ Function	Policy/ Procedure	Project	Strategy	Plan	Proposal
X <input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>

**(b) Please name and describe below...**

**(c) It was initially screened for relevance to Equality and Diversity on 8<sup>th</sup> November 2013**

**(d) It was found to be relevant to...**

Age .....	X <input type="checkbox"/>	Race .....	X <input type="checkbox"/>
Disability .....	X <input type="checkbox"/>	Religion or belief.....	X <input type="checkbox"/>
Gender reassignment .....	<input type="checkbox"/>	Sex .....	<input type="checkbox"/>
Marriage & civil partnership .....	<input type="checkbox"/>	Sexual orientation.....	<input type="checkbox"/>
Pregnancy and maternity .....	<input type="checkbox"/>	Welsh language.....	<input type="checkbox"/>

**(e) Lead Officer**

**Name:** Karen Jones

**Job title:** Head of Corporate Strategy & Democratic Services

**Date:** 08/11/2013

**(f) Approved by Head of Service**

**Name:** Karen Jones

**Date:** 08/11/2103

## Section 1 – Aims (See guidance):

Briefly describe the aims of the function, service, policy, procedure, strategy, plan, proposal or project:

### What are the aims?

The aim of the third sector funding review is to reduce funding to the third sector to achieve a minimum financial saving of £400,000 in 2014/15 - this saving to be additional to the savings identified against third sector organisations already identified in the Forward Financial Plan of the Council.

### Who has responsibility?

The responsibility is shared across the Council.

### Who are the stakeholders?

Key stakeholders include the Board members, employees and service users of each of the organisations included within the scope of the review.

Other stakeholders include: Welsh Government, other public service organisation providers, members of the public who do not directly use the services/functions that are within the scope of the review, the Council's auditors and inspectors, commissioning officers within the Council and elected Members.

## Section 2 - Information about Service Users (See guidance):

Please tick what information you know about your service users and provide details/ evidence of how this information is collected.

Age .....	X <input type="checkbox"/>	Race .....	X <input type="checkbox"/>
Disability .....	X <input type="checkbox"/>	Religion or belief.....	X <input type="checkbox"/>
Gender reassignment .....	<input type="checkbox"/>	Sex .....	<input type="checkbox"/>
Marriage & civil partnership .....	<input type="checkbox"/>	Sexual orientation.....	<input type="checkbox"/>

### What information do you know about your service users and how is this information collected?

The payments to third sector organisations are covered by a range of different types of funding agreements. However, the majority of payments are covered either by a contract for services or by a grant agreement.

Contract management is spread across the Council's service directorates. It is clear from the review that the type of agreement, the type of contract management activity and the range and

quality of performance management information varies considerably. The need to bring greater consistency to arrangements has been identified in recommendations arising from the review.

The Steering Group obtained information from the contract management process to inform its deliberations, but also asked each organisation receiving funding towards core costs to provide additional information using a standard survey instrument. The survey instrument was designed to capture details of the profile of people using the services subject of any funding arrangement, the numbers of those service users and also the impact of removing or reducing the funding on those groups. Returned questionnaires were, however, not consistently completed. The initial recommendations of the Steering Group were then subject to one month further consultation during which time, each organisation affected by the review was asked to provide an equality impact assessment of the impact on their organisation and the mitigating actions that could be considered to reduce/avoid negative impact. Only a small number chose to complete the equality impact assessment proforma and these have been summarised and included with the Steering Group’s report to inform final decisions.

Pregnancy and maternity .....

Welsh language.....

**Any Actions Required?**

There is a need to bring greater consistency to the commissioning and monitoring of funding arrangements and these issues are subject of recommendations that are made in the final report.

**Section 3 - Impact on Protected Characteristics (See guidance):**

Please consider the possible impact on the different protected characteristics. This could be based on service user information, data, consultation and research or professional experience (e.g. comments and complaints).

	Positive	Negative	Neutral	Needs further investigation
Age	➔ <input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability	➔ <input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>
Marriage & civil partnership	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>
Pregnancy and maternity	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>
Race	➔ <input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Religion or belief	➔ <input type="checkbox"/>	X <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sex	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>
Sexual orientation	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>
Welsh language	➔ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X <input type="checkbox"/>



**Thinking about your answers above, please explain in detail why this is the case including details of any consultation (and/or other information), which has been undertaken to support your view?**

Representatives of the organisations brought within the scope of the review were involved in the membership of the Steering Group from the outset. This was to ensure that the review was fully informed by those who would be impacted upon by any change.

There have been a number of mechanisms established for organisations to make representation/contributions to the review, including face to face meetings with organisations and Members of the Steering Group, publication of Steering Group meeting papers on the internet, two surveys to capture different information about the impact of cuts on service users, organisations and the wider community, including an equality impact assessment proform. Meetings have also been held with all elected Members and on request one to one meetings between funded organisations and the steering group members.

The Council has also publicised the conduct of the review more generally through issue of press releases and in meetings with various partners.

These activities have enabled the Steering Group to identify impacts on the Groups identified above. However, the quality and range of data available from council records and from the individual organisations varies considerably and therefore the Steering Group is not able to rule out a negative impact on the other groups listed.

A number of organisations have mounted their own information and consultation activities which have been passed to the Steering Group as part of its evidence gathering. This takes the form of letters, DVDs, a petition and direct e mails/meetings with various officers and elected members.

**Any actions required (to mitigate adverse impact or to address identified gaps in knowledge)**

The consultation exercises were designed to provide the Steering Group with the additional information that was considered necessary. This has been partially successful. The recommendations made by the Steering Group would enable the Council to further develop these arrangements for the future.

#### **Section 4 - Other Impacts:**

Please consider how the initiative might address the following issues.

You could base this on service user information, data, consultation and research or professional experience (e.g. comments and complaints).

<b>Foster good relations between different groups</b>	<b>Advance equality of opportunity between different groups</b>
<b>Elimination of discrimination, harassment and victimisation</b>	<b>Reduction of social exclusion and poverty</b>

**Please explain any possible impact on the above.**

The review is positive in terms of fostering relationships between different groups. The sector has recognised that there is a greater need for third sector organisations to integrate and join up their local work if we are to minimise the impact of reduced funding on our local communities.

It is likely that the other three issues will be impacted upon negatively as the Council has to re-prioritise its funding. Overall, the review is attempting to protect those who are most vulnerable, however, the review has been unable to completely avoid the risk that some vulnerable people will see services reduced/removed as a consequence of the reduction in funding.

**What work have you already done to improve any of the above?**

Funding workshops were arranged when the review was underway to help third sector organisations explore other ways of raising income. Additional funding workshops are being arranged at the Council's request by Neath Port Talbot CVS

Three reviews of benefits advice provision, job search support and transport are proposed to identify further opportunities to get better value for money in these areas, targeting the right people with the right service and removing/reducing any duplication in provision

A revised policy framework is proposed to ensure better equity, value for money and transparency in grant aiding and benefit in kind arrangements.

Recommendations are also made to improve commissioning and contract management

**Actions (to mitigate adverse impact or to address identified gaps in knowledge)**

These are set out above

**Section 5 - Monitoring arrangements:**

Please explain the arrangements in place (or those which will be put in place) to monitor this function, service, policy, procedure, strategy, plan or project:

**Monitoring arrangements:**

Subject to the decisions of Members, the recommendations made in the report will be subject of an action plan that will be presented to Members initially for approval and then subsequently for ongoing monitoring

The Council will also need to issue further guidance on including all of the protected characteristics in relevant ongoing monitoring and planning activities.

**Actions:**

Prepare detailed action plan for Policy and Resources Board to consider before 1<sup>st</sup> April 2014.

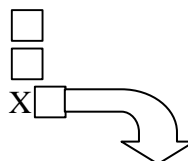
**Section 6 – Outcomes:**

Having completed sections 1-5, please indicate which of the outcomes listed below applies to your initiative (refer to guidance for further information on this section).

Outcome 1: Continue the initiative...

Outcome 2: Adjust the initiative...

Outcome 3: Justify the initiative...



Outcome 4: Stop and remove the initiative...



For outcome 3, detail the justification for proceeding here

The Council has no option but to produce a balanced budget. The fairest way of distributing a funding reduction across third sector organisations has been the focus of this review. A number of mitigating actions have been identified/actioned to reduce the negative impact on groups

## **Section 7 - Publication arrangements:**

On completion, please contact the Corporate Strategy Team for advice on the legal requirement to publish the findings of EIAs.

**Action Plan: This will be incorporated into the action plan that will accompany the Plan to implement the overall recommendations once it is clear how Members have decided to progress.**

<b>Objective - What are we going to do and why?</b>	<b>Who will be responsible for seeing it is done?</b>	<b>When will it be done by?</b>	<b>Outcome - How will we know we have achieved our objective?</b>	<b>Progress</b>

**\* Please remember to be 'SMART' when completing your action plan.**

**REVIEW OF FUNDING TO THIRD SECTOR ORGANISATIONS  
IN NEATH PORT TALBOT**

**FINAL REPORT OF THE STEERING GROUP**

**DECEMBER 2013**

## **Foreword**

I am pleased to present the final recommendations of the Steering Group set up by the Council to review its funding of third sector organisations in Neath Port Talbot.

We presented our initial recommendations to the Council in November 2013. The Policy and Resources Cabinet Board decided to subject our recommendations to one month's formal consultation and invited us to review our original recommendations against any further consultation responses received. We have considered all of the responses received during the consultation period and we have decided to modify our initial recommendations in a small number of respects. We have also presented an additional recommendation that we now ask the Council to consider.

I would like to thank the members of the Steering Group for their support and contributions during the review period. Members of the Group have worked diligently over a relatively short period of time to complete the task set by the Council for us. I would also like to thank the Council's officers who have supported the review and enabled us to deliver our recommendations in the timetable required.

Finally, I would like to pay tribute to all of the third sector organisations who have engaged with the review process. Our recommendations have been enriched by the contributions that we have received. I am also struck by the strength of the partnership working between the Council and its third sector partners which I am sure will provide the best possible platform for meeting the challenges that lie ahead.

**Simon Jones**  
**Chair of the Steering Group**  
**December 2013**

## **1.0 Purpose of Report**

- 1.1 To present the final recommendations of the Steering Group established by Neath Port Talbot County Borough Council to review its funding arrangements of third sector organisations.

## **2.0 Background**

- 2.1 Neath Port Talbot Council, along with many other public bodies, faces significant financial challenges. The Council estimates that £17.3 million savings will need to be found in 2014-15 to achieve a balanced budget and that over the next four years some £38 million savings will need to be secured.
- 2.2 The Council developed a Forward Financial Plan to support its transformation programme and budget challenges as far back as 2009. The Plan has been updated on several occasions with the most recent Plan being approved by Council in June 2013. One of the measures within that Plan was to secure a minimum of £300,000 savings from a review of funding to third sector organisations. As a consequence of the UK Treasury Comprehensive Spending Review in the summer of 2013 and subsequent decisions by the Welsh Government, the outlook has deteriorated (as described above) and the target savings from the review were increased by £100,000.
- 2.3 The Council's Policy and Resources Cabinet Board approved the terms of reference for the review in June 2013 and set up a Steering Group, with representation from the third sector and an independent Chair, to undertake the review. The recommendations of the Steering Group were formally considered by the Policy and Resources Cabinet Board on 8<sup>th</sup> November 2013, following scrutiny by the Policy and Resources Scrutiny Committee. The recommendations made by the Steering Group were amended by the Cabinet Board to remove the Fireworks Grant of £4,000 in its entirety. Otherwise, the Cabinet Board authorised a one month consultation period with the organisations in receipt of funding and invited the Steering Group to consider the consultation responses with a view to submitting final recommendations to the Policy and Resources Cabinet Board before the end of December 2013.

2.4 This report fulfils that request.

### **3.0 Consultation Arrangements and Consultation Responses Received**

3.1 Following the decision of the Policy and Resources Cabinet Board to consult on the recommendations made by the Steering Group (as amended by the Cabinet Board), all organisations within the scope of the review were sent an e mail on 8<sup>th</sup> November 2013 outlining the decision of the Cabinet Board and inviting them to submit responses within the consultation period on a standard form. The objectives of the consultation exercise were to:

- a) Test that the Steering Group had applied the criteria it developed during the review process fairly to each organisation receiving funding;
- b) Test there is an accurate understanding of the impact of the proposed reductions to each organisation, including the equality impact of the proposals; and
- c) Provide a further opportunity for organisations in the third and community sector to identify any other opportunities that may exist to reduce funding or achieve better value for money.

3.2 The consultation standard form is attached at Appendix 1 for reference. The form also provides for the organisation concerned to describe the equality impact of the proposed reductions in funding for that organisation.

3.3 At the commencement of the review, Neath Port Talbot Council for Voluntary Services (CVS) had invited all organisations within the scope of the review to meet with the independent chairman of the Steering Group. In the event, the meeting was timely, being held on 15<sup>th</sup> November 2013 at the CVS offices in Neath, a week after the Steering Group had reported its initial recommendations to the Council.

3.4 The meeting was led by Mr Simon Jones, Chair of the Steering Group and supported by Mrs Gaynor Richards, Director CVS. Mrs Karen Jones, Head of Corporate Strategy and Democratic Services, Neath Port Talbot Council was also in attendance. The meeting



was well attended by third sector organisation representatives. A list of those who attended the meeting is attached at Appendix 2. The meeting provided an opportunity for the representatives to understand how the Steering Group arrived at their recommendations, to seek clarification on the process followed and the rationale for the recommendations developed to date. The meeting also provided an opportunity for those attending to understand the objectives of the final consultation phase and how to submit further evidence.

### 3.5 The consultation period ended on 8<sup>th</sup> December 2013.

Twenty seven responses were received in relation to eighteen organisations. Organisations subject to proposed funding reductions by spending departments were also included in the consultation so that all of the proposed reductions in funding to the third sector were available. Four responses were received in relation to the cuts in funding proposed by spending departments. These were relayed to the relevant department for review and the outcome of that review is set out later in this report. Additionally, a petition was received from Neath Antiquarian Society containing 418 signatures opposing the removal of funding for that organisation and the closure of the Mechanics Institute along with 175 letters of support and three completed questionnaires. Each response has been carefully considered by the Steering Group to establish whether the recommendations made in the Group's initial report should be modified, or not. The consultation responses are available for Members to review and a summary is set out in Appendix 4.

## 4.0 **Final Recommendations**

### 4.1 **Recommendations for the distribution of required savings**

- a) The Steering Group has considered each response received during the consultation period. The Group has concluded that the recommendations made in the report presented to the Policy and Resources Cabinet Board on 8<sup>th</sup> November 2013 in respect of the following organisations who submitted a consultation response, **should not** be amended:

<b>Organisation</b>	<b>Category</b>	<b>Funding Reduction Proposed (£'S)</b>	<b>Comment</b>
Squiggles	4.6%	1,200	The representations made are issues that need to be addressed by the service directorate as part of its overall commissioning strategy. The Steering Group believes it is reasonable for the organisation to be asked to make the same efficiency saving as the majority of other providers. The Group also notes that the organisation currently enjoys a benefit “in kind”.
Tros Gynnal	4.6%	3,679	The representations made are issues that need to be addressed by the service directorate as part of its overall commissioning strategy. The Steering Group believes it is reasonable to ask the organisation to make the same efficiency saving as the majority of providers.
NSA Afan	100%	14,452 27,574	The Steering Group does not believe that the “salami slicing” approach suggested in the response would result in the prioritisation of services to be funded by the council and consequently rejects that approach. It is also considered that there are additional income sources that can be exploited by this organisation to secure its financial sustainability

Theatre N'an Nog	100%	13,330	The Steering Group recognises that the services provided to young people as set out in the consultation response are valued. However, the Steering Group did not consider that the activities were strategic priorities for the Council and also believes there is opportunity for alternative income to be sourced.
Tan Dance	100%	4,790	The Steering Group appreciated the efforts made by the respondents to the consultation to show more clearly how the activities support the Corporate Improvement and Single Integrated plans. However, the Steering group do not consider the activities to be strategic priorities for the Council and also believe there is scope for alternative income to be sourced.
West Glamorgan Youth Theatre	100%	13,660	The Steering Group appreciated the additional information supplied. It is clear that there are many benefits to young people from the activities of this initiative. However, the Steering Group do not consider this is a strategic priority for the Council and also believes there are alternative income sources that can be explored.
St John's Ambulance	100%	3,000	The Steering Group acknowledges the importance of first aid training however, the Group does not

			believe that this is a strategic priority for the Council. The Steering Group believes that there are other ways in which St John's Ambulance could generate the funding currently obtained from the Council.
South Wales Miner's Museum	100%	2,250	The Steering Group did not believe that there was evidence presented to show that this activity is a strategic priority for the Council. The Group also felt there was evidence presented in the business plan that would suggest that the organisation is able to raise funding via other sources.
Interplay	100%	31,860	The Steering Group were advised that this service is not a priority for CYPS to fund in 2014-15 but has also noted that there is an opportunity for the representations made as part of the consultation response to be considered under the auspices of the Think Family Board.
Citizens Advice Bureau	20%	20,800 980 115 835	There appeared to be an acceptance that the three smaller grants would be removed as all bureaux provide out of county advice.  The Steering Group noted that the Council has been discussing the provision of "in kind" assistance to the CAB, as, indeed have a number of other third sector organisations in NPT.

			Additionally, the Group noted that the proposed review of benefits advice was supported by CAB. For these reasons, at this time, the Steering Group believes a reduction of 20% is reasonable.
Ystylafera Development Trust	20%	4,476	The Steering Group carefully considered the additional information submitted but did not consider that a strong case was made out to reduce the proposed cut.
Glyncorrwg Ponds	20%	2,505	The Steering Group noted that the organisation had reported the impact of the cuts as neutral and that the service would be maintained after the proposed cut is implemented. Accordingly, the Steering Group proposes no change to its original recommendation.

- b) The Council's Forward Financial Plan, approved in June 2013, identifies a number of third sector organisations for funding reductions in 2014-15. All of those organisations have been consulted about those cuts as a part of this Review. Responses in relation to four organisations were received. The responses were provided to the relevant spending department for review. Spending departments have confirmed to the Steering Group that, having considered the representations received, the proposals to make the cuts are **unchanged**. The organisations subject of these consultation responses included: Shopmobility; Groundworks; Tourist Information Centre; and Community Transport.
- c) The Steering Group has considered each response received during the consultation period. The Group has concluded that the recommendations made in the report presented to the Policy and

Resources Cabinet Board on 8<sup>th</sup> November 2013 in respect of the following organisations who submitted a consultation response, **should be** amended:

Organisation	Category	Funding Reduction Proposed (£'S)	Funding Reduction Proposed	Comment
Neath Antiquarian Society	100%	2,500	Out of scope – requires separate review by the Council – see also recommendation on ‘in kind’ benefits	The Steering Group appreciates the additional information provided by the Society which makes it clear that there is no payment to the Society but rather a benefit in kind. Benefits in kind are out of the scope of this review. Please see additional recommendation made below.
Mechanics Institute	100%	13,520	Out of scope – requires separate review by the Council – see also recommendation on ‘in kind’ benefits	The Steering Group notes that the costs included in the schedule refer to budgets that fund the energy costs of the building and that consequently, the accommodation provided to the Neath Antiquarians is a benefit “in kind” and consequently outside the scope of this review.
Age Concern NPT	20%	4,054	4.6%	The Steering Group notes that the additional information provided demonstrates how the organisation has/will secure improved value for money and how it supports the

				Council's strategic priorities.
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- d) If the Cabinet Board are minded to accept the proposals set out above, because of the changes proposed in c) the total savings falls just short of the savings target set for the review by circa £20,000. The Cabinet Board has asked the Steering Group to recommend how this funding shortfall could be made up. Having considered a number of options, the Steering Group feels that to make least impact, the additional savings required should be distributed across all organisations who will receive some funding from NPT in 2014-15 in proportion to the amount of funding they will receive. This amounts to circa 0.5% additional saving per group.
- e) The final schedule of proposed funding reductions is contained at Appendix 5. This includes the additions 0.5% identified in d) above.

## 4.2 Other Recommendations

- 4.2.1 The Steering Group has received no objection to the other proposals made in its initial report. Consequently, the Steering Group recommends that the Council now considers formally accepting those recommendations. A list of the other recommendations made in the initial report is reproduced at Appendix 5 for completeness.
- 4.2.2 Additionally, following the final phase of consultation, the Steering Group wishes to put forward a further recommendation for the Council to consider. The Steering Group has noted from reviewing a number of submissions that the Council offers a benefit “in kind” to a number of organisations. Clearly, these benefits can also be held to have a financial value but the extent of these benefits is not always clear. Consequently, to ensure value for money, equity and transparency, the Steering Group recommends the Council considers reviewing its existing policy on benefits provided “in kind” with a view to more clearly articulating the Council’s policy objectives in this respect.

***Recommendation - The Council clarifies its policy on the provision of “benefits in kind” so as to ensure there is value for money, equity and transparency in the provision of such “benefits in kind”.***

## **5.0 Equality Impact Assessment**

- 5.1 The Council is required to have due regard to the impact of proposed changes on protected groups under the Equality Act 2010. Organisations impacted upon by this review have been invited to identify the equality impact of the proposed reductions on the people who use their respective services. A schedule summarising the information received is contained at Appendix 4. The Steering Group has taken this information into account in coming to their final recommendations and hopes that this information is also helpful to the Council in meeting its legal obligations.
- 5.2 The Steering Group is clear that the scale of savings the Council is required to make will impact negatively on the quality and range of services that the third sector is able to provide in support of the Council going forward. Some of the recommendations put forward for consideration by the Steering Group are designed to help the Council and its third sector partners mitigate the impact of this on the communities of Neath Port Talbot. These include:
- a) Providing training and support through Neath Port Talbot CVS on fundraising opportunities;
  - b) Developing more integrated provision by co-locating organisations who serve similar client groups through the LSB's Low Income Household Project;
  - c) Carrying out further reviews to eliminate duplication of third sector provision under the auspices of the LSB - advice services, job search support, transport;
  - d) Ensuring that the grant funding policy of the Council does not induce dependency on council resources and that wherever possible, organisations are required and supported to be financially sustainable in their own right;
- 5.3 From the contact we have made with third sector organisations, it is clear that there is a mature and responsible attitude amongst third sector organisations that fully appreciate the challenges facing the Council and who wish to play their part in protecting services and support, especially to the most vulnerable in the county borough. This approach to partnership working provides a strong platform



upon which to work through the extremely challenging times facing all publicly funded bodies.

**APPENDIX 1**

**Review of Funding to Third Sector Organisations**

**Consultation**

Name:

Organisation:

Has the Steering Group applied the criteria it developed during the review process fairly to your organisation?

Yes

No

If no, please state why.

Please identify any other opportunities that may exist to reduce funding or achieve better value for money:

Additional comments:

The purpose of the exercise is to assess the impact on your organisation, service users and partners as a result of the reduction in or withdrawal of third sector funding for your organisation. The questionnaire is meant to assess whether any action is required (if possible or practicable) and if there are any major negative impacts as a result of the funding changes.

This assessment is for the financial year 2014/15. Funding for the current financial year, 2013/14, will not be affected whether or not you decide not to complete the form.

Please let us know if you require any assistance with the completion of the questionnaire.

<b>Organisation Details</b>
Organisation:
Chief Executive/Lead:

**From your organisation's perspective please consider the possible impact on the following different protected characteristics if funding is significantly reduced or withdrawn:**

		Positive	Negative	Neutral	
<b>Don't Know</b>					
Age	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Race	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Religion or belief	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sex	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Welsh language	➔	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**What would be effect of the likely impact on your service users?**

**What would be effect of the on the organisations, partners or service provider with whom you work in partnership?**

**Please consider how a significant reduction or withdrawal of funding would affect your organisation's ability to:**

- Eliminate discrimination, harassment and victimisation
- Advance equality of opportunity between different groups
- Foster good relations between different groups
- Reduce social exclusion and poverty

**Please explain any possible impact on the above.**

**What actions will you take to mitigate any adverse impacts?**



**Neath Port Talbot Council for Voluntary Service**

*Supporting, promoting and developing the local voluntary sector*

**Cyngor Gwasanaeth Gwirfoddol Castell-nedd Port Talbot**

*Cefnogi, hyrwyddo a datblygu y sector wirfoddol leol*

**Meeting with Simon Jones, Independent Chair,  
Local Authority Review of Third Sector Funding**

**Friday 15<sup>th</sup> November 2013**

**Organisation Attendance Sheet**

**APPENDIX 2**

Action for Children
Age Concern Neath Port Talbot
Barnardo's
Blaengwynfi OAPs
Briton Ferry OAPs
Brynaman OAPs
Calan DVS
Canolfan Maerdy
Care & Repair Neath Port Talbot
Children's Rights Unit
CISS
Collaborative Communities
DANSA
Dewis Housing
Esgyn
Gofal
Interplay
NAS
Neath Antiquarian Society
Neath Communities First
Neath Port Talbot Carers Service
Neath Port Talbot CBC
Neath Port Talbot Community Transport
Neath Port Talbot CVS
NPT Homes
NSA Afan
Port Talbot & Afan Women's Aid
Samaritans
SNAP Cymru
South Wales Miners' Museum
South Wales Miners' Museum

Swansea Bay Regional Equality Council
Swansea Neath Port Talbot CAB
Tan Dance
Theatre na n'Og
Tros Gynnal
View (DOVE) Limited
Wales Pre-School Providers Association
West Glamorgan Youth Company
Ystalyfera & Godre'rgraig ICC / Tiddlywinks Childcare Centre
Ystalyfera Health & Wellbeing Centre

## APPENDIX 5

### List of Other Recommendations

1. It is recommended that there be no change to the Discretionary Rate Relief Scheme affecting third sector organisations in 2014/15 and that the associated funding is protected from cuts in 2014/15.
2. It is recommended that the Council considers adopting a corporate commissioning framework.
3. It is recommended that the Council gives consideration to issuing its officers with clear guidance as to when the procurement framework should be used and when a grant making arrangement should be preferred and that these arrangements are also clearly communicated to the third sector.
4. The Steering Group recommends that the Council considers replacing its existing grant making practice with a grant making policy that differentiates between strategic partners and other grant recipients. The policy to encourage organisations to work towards and achieve financial sustainability and to build capacity across the sector locally.
5. The Steering Group recommends that the Council brings together its small grant funding pots into one general pot with criteria for awarding the grant to be established annually by the Council and communicated to the third sector. The overall combined pot to be reduced by 4.6% in 2014/15 (adjusted to 5.1% in line with paragraph 4.1. d).
6. The Steering Group recommends that the Council provides clearer guidance in its contracts and grant agreements to ensure that the costs supported by funding are clearly accounted for and the risk of double funding is minimised. This should include provision for third sector organisations to be required to provide details of any other public funding that it receives additional to that subject of any individual agreement with the Council.
7. The Steering Group recommends that the Director of CVS gives consideration as to how understanding amongst third sector organisations of Charity Commission guidelines on reserve balances might be promoted.

8. The Steering Group recommends that the Council should consider initiating reviews of benefits advice provision, job search support and transport services provided by the third sector with a view to ensuring that services are well targeted and that the arrangements offer the best use of available funding across the county borough.
9. The Steering Group recommends that the Council proposes to the Local Service Board that more integrated planning and working be developed between the third sector and local public sector organisations.
10. The Steering Group has noted that the funding of the “Facing the Challenge “ service has been questioned by Children and Young People Services as a service that might be more appropriately funded by the NHS. It is recommended that the service follows this suggestion up.
11. The Steering Group has noted that the payments to the FAW and WRU secure services of higher value and that any cut to those payments would mean that the service provided by the respective organisations would cease. Consequently, no funding reduction is proposed.
12. ***Additional recommendation - The Council clarifies its policy on the provision of “benefits in kind” so as to ensure there is value for money, equity and transparency in the provision of such “benefits in kind”.***