

Report of	Meeting	Date
Director of Partnerships, Planning and Policy (Introduced by the Executive Member for People)	Executive Cabinet	9 <sup>th</sup> December 2010

## CORE FUNDING 2011-12

### PURPOSE OF REPORT

- To propose changes to the Core Funding process to ensure that the management and monitoring of Core Funding is effective and provides value for money.

### RECOMMENDATIONS

- That Executive agree to;
  - Review the accommodation aspects of Core Funding
  - Refine the system to have clarity of purpose by having three funds; small core grants, large core grants and projects
  - Review the application, contractual and monitoring processes for all Core Funding to ensure that it is proportional and will ensure better value for money

### EXECUTIVE SUMMARY OF REPORT

- This report outlines the current process for allocating the Core Funding budget, and proposes some changes to ensure that the management and monitoring of Core Funding is effective and provides value for money. This report does not allude to the budget of the Core Funding for 2011/12, but rather the process. It has been brought to Executive Cabinet at this time so that proposed changes can be made and the allocations process started in time to allocate for 2011/12 (see para 16 for details).

### REASONS FOR RECOMMENDATIONS

#### (If the recommendations are accepted)

- By reviewing the process for allocating the Core Funding, it will ensure that the purpose of Core Funding is clarified, that funding can be allocated in a more proportional way, and that the outcomes of the Core Funding can be managed and monitored.

### ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- To undertake no change – this would mean that the application, allocation and monitoring process for the Core Funding would not be achieving maximum value for money for Chorley Council.

### CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region	√	Develop local solutions to climate change.	√
Improving equality of opportunity and	√	Develop the Character and feel of	√

life chances		Chorley as a good place to live	
Involving people in their communities	√	Ensure Chorley Borough Council is a performing organization	√

## BACKGROUND – THE CURRENT POSITION

7. In 2010/11, 12 Core Funding Applications were awarded to the amount of £157,185 (includes two in kind contributions for accommodation) and awards varied from £350 to £75,000
8. As well as receiving a variety of applications for different amounts, there was also variety in purpose. Some applications were for running costs, some for service delivery and some for project based funding. This made it more complex both to allocate the funding, and also to arrange the appropriate contractual arrangements.
9. Once the awards are made, the management and monitoring of them could be more proportional and specific to the amount and type of funding allocated, rather than a generic approach applied.

## PROPOSED CHANGES FOR 2011/12

10. **Recommendation 1** – Review the Accommodation aspects of Core Funding – in particular relation to CAB and CVS
11. There are two organisations who currently receive in kind contributions with regards to accommodation costs. Details are below;  
CAB - £18,200 – Contribution towards lease of 35-39 Market Street – Lease til 2014  
CVS - £4,165 – Contribution towards lease of the Astley Hall Farmhouse – Annual lease (until May 2011)
12. **Recommendation 2** – Refine the system to ensure clarity of purpose by having three funds; Small Core Grants, Large Core Grants and Projects. It is envisaged that separating the Core Funding process into three distinct funds will enable us to have clarity of purpose about the funding provided, and also to be able to manage and monitor the funds more appropriately.
13. These three distinct funds can be defined as;
  - a. Small Core Funding – with light touch monitoring of small grants (under £2000)
  - b. Large Core Funding - in depth contract monitoring on a quarterly basis (over £2000)
  - c. Project Funding – to be used to commission projects to delivery the Sustainable Community Strategy
14. **Recommendation 3** – Review the application, contractual and monitoring processes for all Core Funding to ensure that it is proportional and will ensure better value for money
15. This will include making the application forms appropriate and proportional to the purpose and value of the funding being applied for. Once awarded, monitoring will also be on this basis, smaller grants to be light touch, larger grants to have full contract monitoring and projects to use quarterly project documentation. Contracts will be modified to include specific and quantified expected outputs and outcomes in return for the funding allocated.
16. **Potential Timescale for Allocation of Core Funding** - A proposed timescale for the changes to the process and the allocation of funding is below. This report has been brought to Executive Cabinet at this stage so that if changes are agreed, there is due time to update documents and begin the allocation process so that grants can be made following budget decisions for 2011/12.
  - Development of application process and associated documents – November
  - Application period opens – December / January 2011

- Application period closes – February 2011
- Panel – February 2011
- Offers made and Contract Development – March 2011
- Development of contract monitoring and performance reporting – March 2011
- Grants made – April 2011

## IMPLICATIONS OF REPORT

17. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	√	Customer Services	
Human Resources		Equality and Diversity	√
Legal		No significant implications in this area	

## COMMENTS OF THE DIRECTOR OF PARTNERSHIPS, PLANNING AND POLICY

18. In terms of equality and diversity, all applications will be required to complete an Equality Impact Assessment as part of the application. These will be considered by the panel as part of the application process.

## COMMENTS OF THE DIRECTOR OF TRANSFORMATION

19. These proposed changes will ensure that we are able to monitor and manage the Core Funding in a more effective system to ensure value for money.

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Sarah James	5348	24 <sup>th</sup> November	Core Funding 2011/12