



Funding to Third Parties – 2012-13 Funding Round Briefing 14th/20th/28th September 2011

Programme

- Introduction
- **Budget 2012-13**
- **Strategic Commissioning - meeting
Edinburgh Outcomes**
- **Next Steps - timescales for completion**
- **Breakout Groups**
- **Questions**



**Funding to Third Parties –
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WELCOME AND INTRODUCTION

**David Jack,
Acting Director of Corporate Services**

Edinburgh Compact

- Partnership Approach to funding of 3rd party services by Edinburgh Partners
- Grant funding is comprehensive and relatively stable
- All funding over £50,000 has to be considered for contractual basis
- Overall 3rd sector funding is complicated with multiple sources of government and lottery special funding, and other private sources, combining with Council funds

- Shared view that sources should be SIMPLER
- Should be open and transparent
- Use the same or comparable systems
- Relate to shared objectives or outcomes

Council funding of 3rd party services

- CEC provides £138m across 1,400 bodies
- £22m grant funding by 5 lead departments:
- 357 services assessed
- £16m through revenue grant budgets
- £1.7m through Health Inequalities budgets
- £2m through Early Intervention budgets
- £2.3m through Employability budgets



Continuous Development

1. Simpler Funding Systems

- Ring fencing phased out
- Funding based on outcomes
- Reviews of specialised topics
- Single lead departments
- Commissioning Strategies guide procurement practice

2. Strategic Commissioning

- Lessons Learned Report
- Commissioning Strategies
- Better project management
- Engagement
- Council reporting

3. Public sector cuts

- Alternative business models
- Service transformation



Council Budget 2011 – 2015 Long Term Financial Planning

Hugh Dunn
Corporate Finance Manager
September 2011



Public Expenditure forecasts

- **National pressure on public expenditure**
- **UK and Scottish Spending Reviews in 2011**
- **Outlook revenue expenditure: flat settlements for period 2012/15**
- **Real terms funding reduction**
- **Spending Commitments to be met from settlement to be clarified**



Budget pressures

- **Real terms reduction in the amount of money the Council will receive from the Scottish Government (77% of funding)**
- **Social changes, including demographic changes e.g. an ageing population increases the demand on services**
- **Rising demand**
- **Climate change e.g. energy costs and waste disposal**
- **Pay and pensions**
- **National policies on free services e.g. care, concessionary fares**

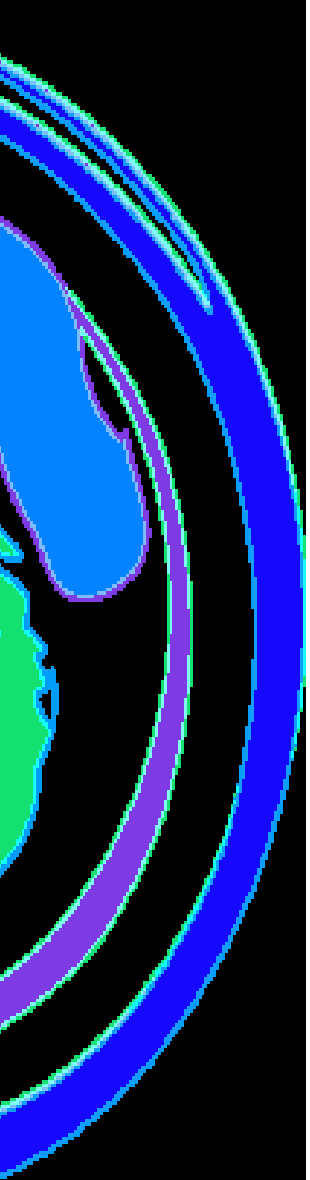


Long Term Financial Plan

- **An estimate of revenue expenditure and income over the next 10 years**
- **Using the best evidence available for future projections**
- **Maintain a reserves strategy based on financial risk**
- **Recognise the future financial gap and make plans to close it**
- **Link to separate 10 year capital plan**

6 P's Approach

- **P**rocurement
- **P**roperty
- **P**rocess
- **P**eople
- **P**rioritisation
- **P**revention





Funding Gap

- 2012/13 Balanced Position
- 2013/14 Budget Shortfall £15.3m
- This funding Gap could be higher e.g. Health is protected relative to local government
- Other assumptions may change e.g. price or tax changes
- Government decisions re savings across central and local government
- Outcome of Financial Settlement



Key Financial Dates:

- 21 September – Announcement of Overall Financial Settlement
- w/c 5 December – Announcement of individual Councils' Financial Settlement
- 9 February – Council's Budget approved



Any Questions



Strategic Commissioning - meeting Edinburgh Outcomes

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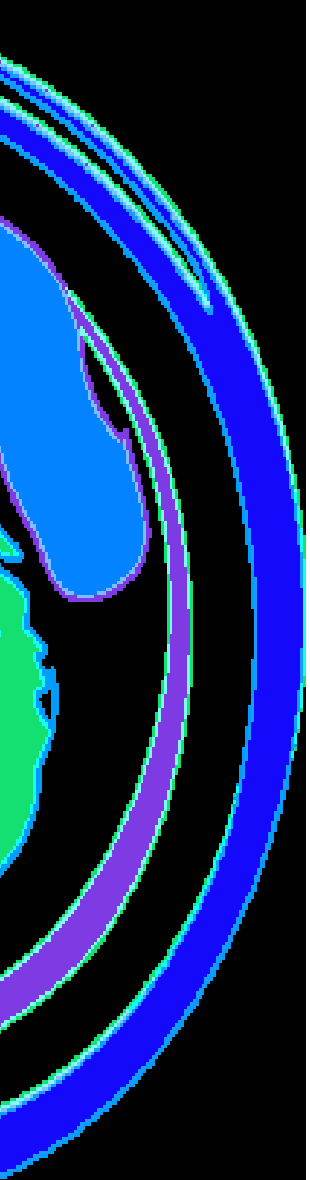


Influences on 2012-13 Round

- SOA Development
- Compact and 3rd sector views
- Commissioning Strategies and Plans
- New funding headings for mainstreamed priorities
- Continued development of funding system

Compact Issues

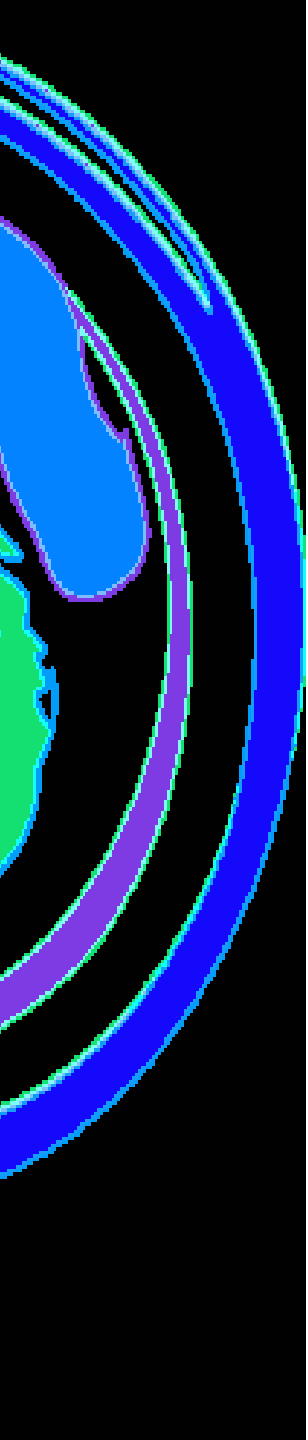
- risks to the city from reduced social capital
- change impacts on services and clients
- threats to viability of organisations from reduced investment and increasing costs
- risks of reduced investment in priority outcomes previously protected by ring-fenced funds
- the need for funding stability
- continuing difficulties in meeting inflation costs



Mainstreaming funding outcomes

- Last main ring fenced fund now within main Council budget – Fairer Scotland Fund
- Subject to annual rules and Council cuts
- Interim year 2011-12 to assimilate into Council system with funding reduction

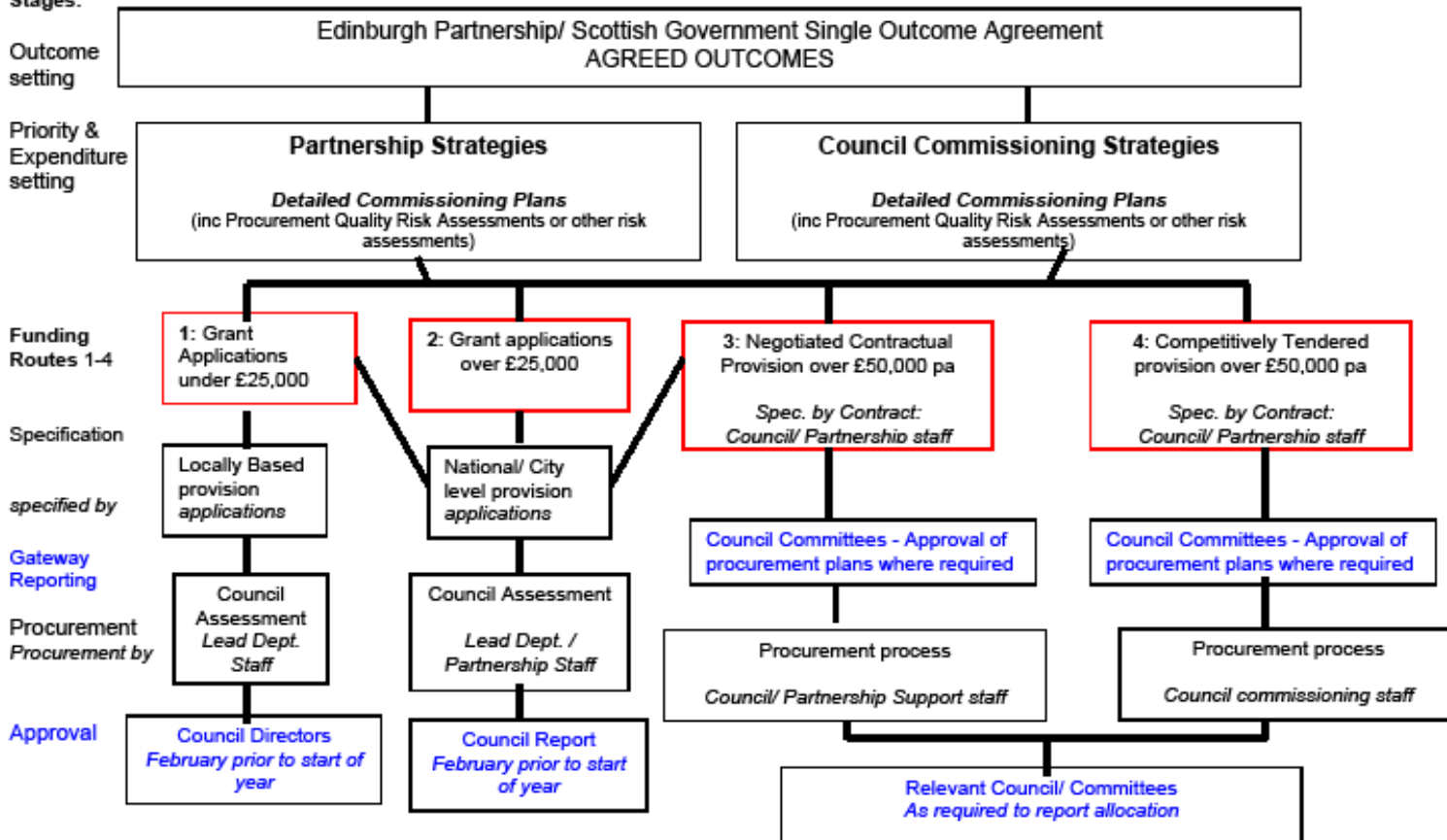
- Single application process for services receiving Council grant
- Assessments specific to priority outcomes
- Three main priorities now part of Council **and partnership** assessment processes – early intervention, improving employability, reducing health inequality.



Funding Routes

Third Party Commissioning for Outcome Contributions

Stages:



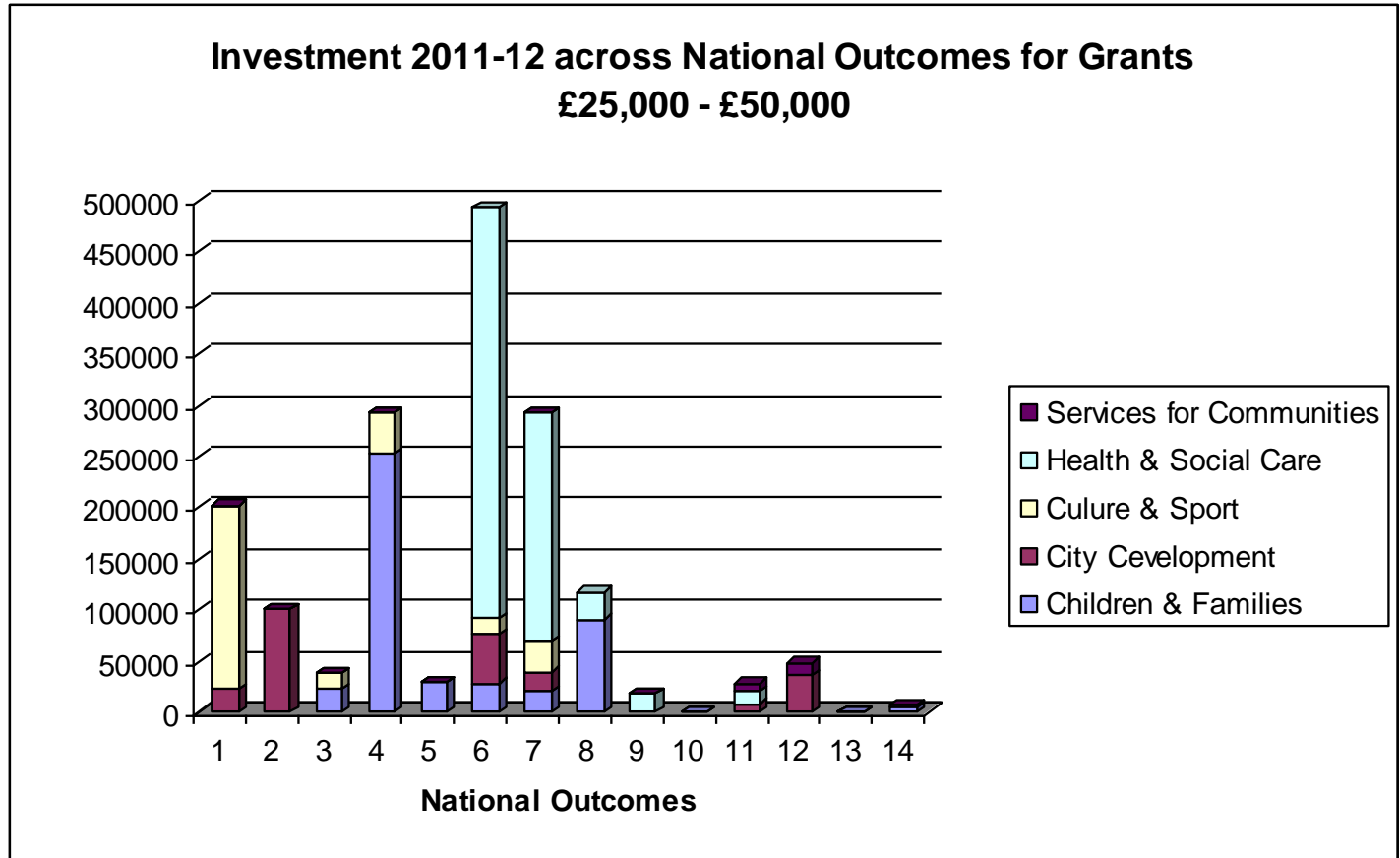
National Outcomes

1. We live in a Scotland that is the most attractive place for doing business in Europe
2. We realise our full economic potential with more and better employment opportunities for our people
3. We are better educated, more skilled and more successful, renowned for our research and innovation
4. Our young people are successful learners, confident individuals, effective contributors and responsible citizens
5. Our children have the best start in life and are ready to succeed
6. We live longer, healthier lives
7. We have tackled the significant inequalities in Scottish society
8. We have improved the life chances for children, young people and families at risk
9. We live our lives safe from crime, disorder and danger
10. We live in well-designed, sustainable places where we are able to access the amenities and services we need
11. We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others
12. We value and enjoy our built and natural environment and protect it and enhance it for future generations
13. We take pride in a strong, fair and inclusive national identity
14. We reduce the local and global impact of our consumption and production
15. Our public services are high quality, continually improving, efficient and responsive to local people's needs

Outcomes analysis

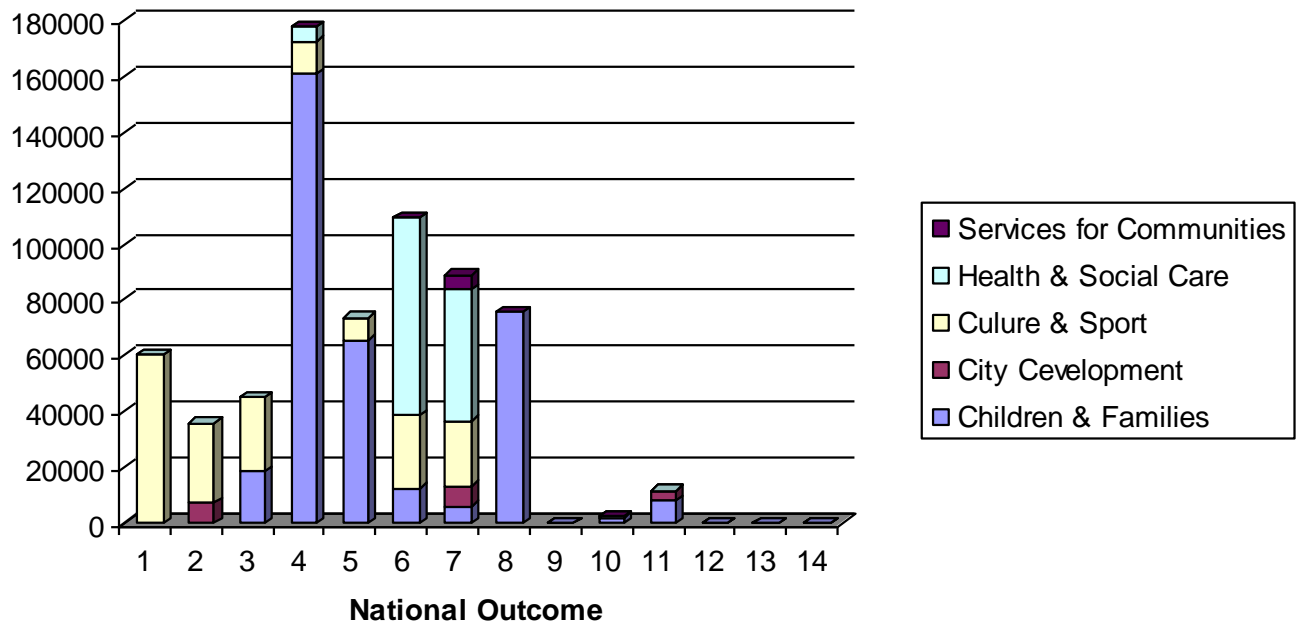
- Investment analysed using data from applications
- Larger grants e.g. Culture and Sport payments alter distribution
- Most >£50k p.a. investment is on four outcomes:
 - N.O. 1 - business support
 - N.O. 4 - young people as learners and citizens
 - N.O. 6 - longer, healthier lives;
 - N.O. 7 - reducing inequalities;
- Smaller grants provide more varied investment across the range of national outcomes, with significant proportions across N.O.'s 1-8, though N.O.4 is the largest.

Outcome Investment 2011-12



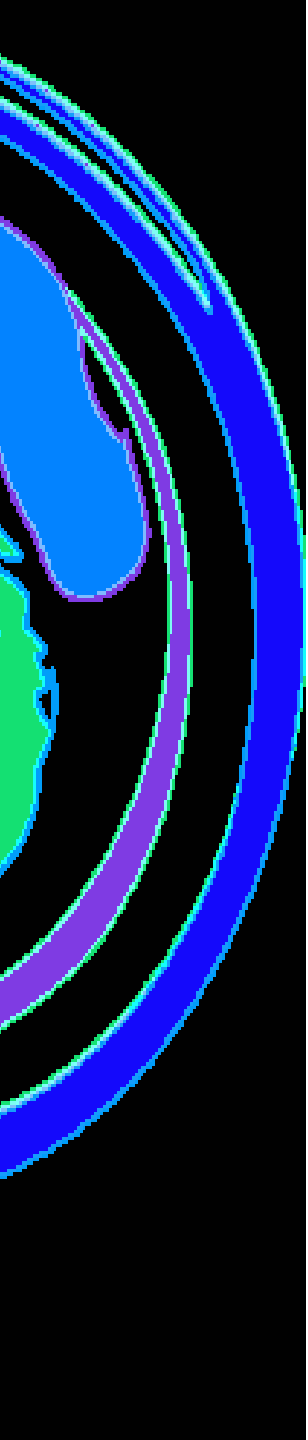
Outcome Investment 2011/12

Investment 2011-12 across National Outcomes for awards under £25,000



Key priorities - funding headings 2012-13

- Health & Social Care Service Plan
- Children & Families Service Plan
- Early Intervention
- City Development Service Plan
- Improving Employability
- Corporate Services: Culture and Sport strategies
- Corporate Services: Reducing Health Inequality
- Services for Communities Service Plan



Way Forward

- Four main funding routes identified
- Assessments against contributions to up to 3 national outcomes
- Lead department identified by main N.O. but other outcomes taken into account
Development of strategic commissioning on priority outcomes
- Includes risk assessments and partnership allocations for key priorities
- Return to 3 year indicative funding where value can be demonstrated



Next Steps - timescales for completion 2012-13

Sarah Bryson

Policy Officer, Performance, Strategy and Policy
Corporate Services Department

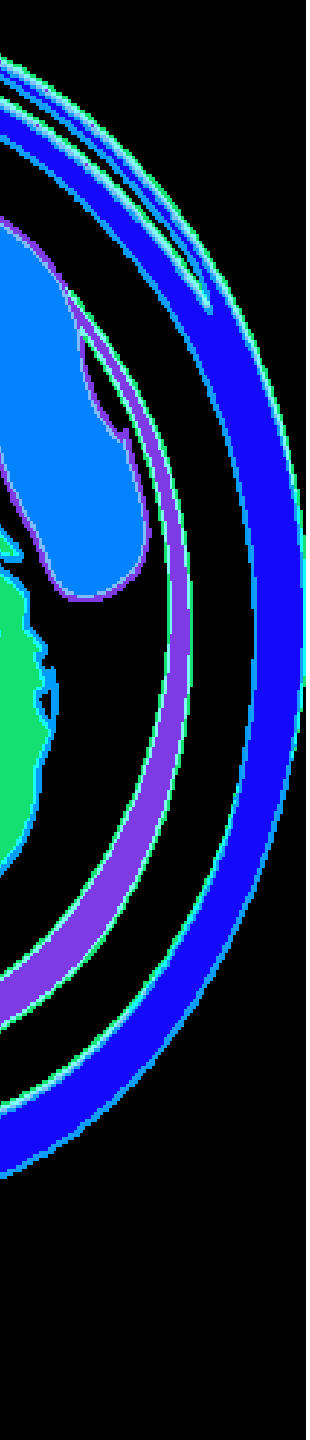


Who Should Apply

- All organisations which wish to apply for a CEC grant – except Community Grants
- Includes 3rd party revenue grants and former FSF grants through the 3 themes of Employability, Early Intervention and Reducing Inequalities
- Generally, for awards of over £50,000 a contract arrangement will be considered
- Existing grant awards and new proposals should use this application
- One application form for all amounts including those under £10,000

Criteria

- Advance the aims of the National Outcomes and the Local Outcomes in the Edinburgh Partnership SOA (Appendix 1 of Guidance Notes)
- Advance the aims of Departmental Service Plans (these will be put on the Compact website)
- Advance the aims of strategies for Culture & Sport, Employability, Early Intervention and Health Inequalities (criteria included in Guidance Notes)





Application Form

- In order to simplify process it has been agreed that one form to be used for all applications
- Application form requires to be relevant to a wide range of activities and allow for robust assessment
- Kept as simple and straightforward as possible
- Different partners require different elements for assessment
- Changes to previous years bring together 3rd party grant form and assessment forms used in the transition of ex FSF themes into Council funding
- Content will be familiar to most applicants

Application Form Continued

- Qu 3.3 asks you to list the Investment Headings
- Investment Headings are listed in Guidance Notes - i.e. relevant Department Service Plans and strategies for Culture and Sport, Employability, Early Intervention or Reducing Health Inequalities
- Pick only the Investment Heading(s) which are directly relevant – pick more than one if relevant
- Helps identify appropriate officer, funding stream and assessment criteria
- Application form will be copied and distributed internally – only need put in one application form
- Applications under some headings (e.g. Employability, Early Intervention and Health Inequalities) will be considered through relevant partnerships
- If you have selected *Employability* or *Early Intervention* headings, then you must complete section 3.4 by identifying the key Target Groups which you will provide for
- Assessment process will be discussed in more detail in breakout groups



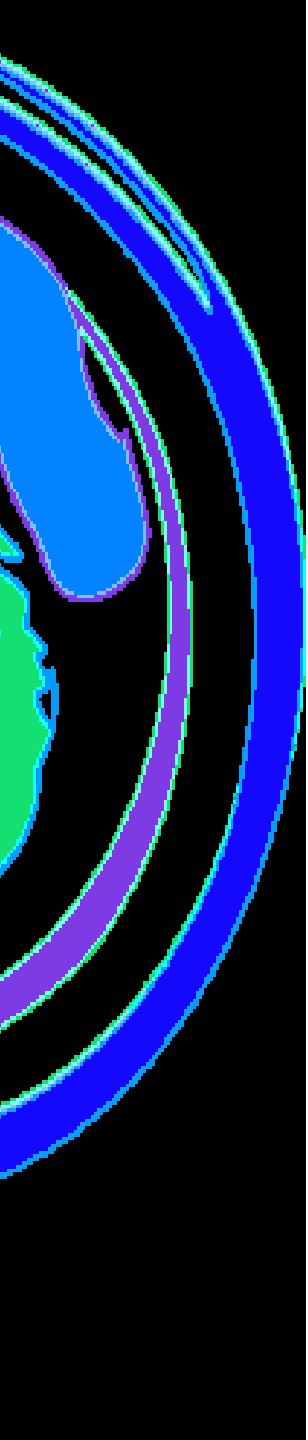
Targets & Outcomes

- We want to see what you propose to do and how this will improve peoples' lives
 - Central to the application is section 3.5 which asks you to set out targets and outcomes
 - Outcomes should be selected for each Investment Heading from the respective reference documents*, and listed under the Investment Heading – add additional rows as necessary
 - Targets should be identified for your activities which contribute to each Outcome selected – add additional rows as necessary
- * When completing 3.5, consideration should be given to relevant strategies, plans and single outcome agreement - outcomes should align with headings, and targets should be given for each outcome



Applications under £10,000

- Applicants requesting funding for less than £10,000 do not require to complete Sections 3.7 to 3.14 of application form
- **Except** for those applying for funding under the *Employability* Investment Heading
- Sections 3.7 to 3.14 request more detailed information to support your application



Equalities Act 2010 Public Sector Duties

- Qu 5.5 Draws your attention to the new Equalities Act which came into force on 1 October 2010
- This Act replaces all existing discrimination legislation
- Organisations funded by the public sector are required to pay due regard of the need to and take active steps to
 1. Eliminate unlawful discrimination
 2. Advance equality of opportunity
 3. Foster good relations
- For further information see www.equalityhumanrights.com



Submission of applications

- Please submit applications by e-mail where possible
- Please provide paper copies of signature page where no electronic signatures available
- E-mail addresses and contacts are listed at end of application form and guidance notes
- Hopefully the completed applications forms will go through CEC's strict filters
- If not, you will receive a "blocked message" e-mail from MIMESweeper@edinburgh.gov.uk to say your e-mail has been stopped
- Please forward "blocked message" to contact who will arrange for email to be released

Timetable

- Briefings 14th, 20th & 28th September 2011
- Application forms available online from 16 September
- Compact Web-Site - on the “City Funding” pages <http://www.edinburghcompact.org.uk/>
- Closing date for applications Friday 4th November 2011
- Evaluation Period to 30th November 2011
- Budget allocation and balancing to 31st December 2010
- Council Budget setting 9th February 2011
- Grant Reporting set to Full Council February 2011

Questions?

