

**EAST AYRSHIRE COUNCIL**

**SOCIAL WORK COMMITTEE : 23 MAY 2002**

**SOCIAL WORK (SCOTLAND) ACT 1968  
SECTION 10 PAYMENTS TO VOLUNTARY ORGANISATIONS 2002-2003**

**Report by Director of Educational and Social Services**

**1. Purpose**

- 1.1 To seek elected members authority to make Section 10 awards to organisations which have applied for assistance and to seek approval for changes to the existing arrangements for allocating awards and managing the Section 10 process.

**2. Background**

- 2.1 Section 10 of the Social Work (Scotland) Act 1968, as amended, allows local authorities to make a financial contribution, by way of grant or loan, to any voluntary organisation whose purpose is the promotion of social welfare.
- 2.2 Section 10 funding is only one of a number of Council funding streams for the voluntary sector, including payments for services provided under contract and local grants. In addition, there are a number of funding streams external to the Council which are available to voluntary organisations and advice and support to access such funds is provided by the Council.
- 2.3 In considering the applications received for Section 10 funding in 2002-2003, officers have applied a number of criteria, consistent with those used in previous years. The criteria are as follows:
- a) Does the organisation provide services to people in East Ayrshire from a base in the Council area?
  - b) Does the organisation provide services to people in East Ayrshire from a base outwith the Council area?
  - c) Does the organisation have a national profile and reputation in its area of expertise?
  - d) Does the service provided complement or supplement a service already provided by the Council and represent value for money?

**3. Current Issues and Proposed Improvements**

- 3.1 In the course of assessing applications, a number of issues have been identified which require to be addressed in order to improve Section 10 management arrangements.

- 3.2 It is proposed that those issues be addressed promptly but that the process of making grant awards is not delayed while that activity is undertaken. Accordingly, recommendations on level of award in 2002-2003 have been made, based on assessments carried out by officers. The sums involved can be met from the existing Social Work budget.
- 3.3 **Issue 1** – All of the organisations receiving Section 10 funding are undertaking major service provision on behalf of the Council, using the Section 10 monies as core funding for their operations. If they were not providing those services, it would fall to the Council to make provision directly, probably at higher cost. Those organisations are acting in effect as agents of the Council. A grant payment mechanism is not the appropriate relationship for such arrangements.
- 3.4 **Proposed Improvement** - It would be helpful if the funding for those organisations were transferred out of the Section 10 budget and managed as mainstream funding, subject to service level agreements of 3 years duration, with annual review of performance. The monitoring and supervision requirements would be undertaken as part of contract compliance arrangements.
- 3.5 **Issue 2** – For a number of the organisations receiving Section 10 funding, responsibility for monitoring and overseeing the use made of the funding by individual organisations is vested in officers who carry no responsibility for the overall Section 10 budget. That leads to a division of responsibility which is inefficient in terms of staff time.
- 3.6 **Proposed Improvement** – The budget associated with those organisations should be transferred to the Head of Service whose staff monitor and supervise their use of the funding.
- 3.7 **Issue 3** – Under current arrangements, the limited resources available are almost entirely committed to a fixed number of organisations. When the transfer to mainstream funding has been completed, the Section 10 budget will effectively cease to exist and other organisations will have no opportunity to access funding.
- 3.8 **Proposed Improvement** – It is proposed that, once the transfer to mainstream funding has been completed, a modest Section 10 budget should be re-created by re-aligning existing budgets. The emphasis would be on supporting innovative proposals by providing modest start up funding. In assessing future Section 10 applications, officers should have particular regard to identifying alternative funding options available to the organisations in question to supplement the Section 10 contribution. In that way, the Council would achieve maximum efficiency in use of the limited Section 10 funding available.
- 3.9 Appendix 1 sets out the recommended levels of award for organisations and provides comments as appropriate. The balance of funds unallocated (£5791)

should be retained within Section 10 funding and supplemented to re-create that budget line as proposed in para. 3.8 above.

- 3.10 Appendix 2 sets out the applications for Section 10 funding which have not been assessed as a priority for funding and for which no award is therefore recommended.

#### **4. Policy, Financial and Legal Implications**

- 4.1 The main policy implication arising from the report relates to the approach to the use of the proposed re-created Section 10 budget (see para. 3.8).
- 4.2 There are no financial implications for the Council. There is a need, however, to re-align existing budgets and to transfer budget control between Heads of Service (see paras. 3.4 and 3.6 and Appendix 1).
- 4.3 The main legal implications arise from the need to ensure that appropriate contractual arrangements are in place between the Council and those organisations which transfer to mainstream funding.
- 4.4 There are no personnel implications for the Council arising from the report.

#### **5. Recommendations**

- 5.1 Committee is requested to :
- a) consider approving the proposed awards of grant, as set out in Appendix 1;
  - b) note the applications for which no grant award is proposed, as set out in Appendix 2;
  - c) approve the proposed changes to the Section 10 funding arrangements as set out in section 3 above;
  - d) otherwise, note the content of the report.

**John Mulgrew**  
**Director of Educational and Social Services**

**15 May 2002**

For further information, please contact John Alexander, Principal Officer (Quality and Planning) on ext. 6978.

**IMPLEMENTATION OFFICER : Stephen Moore, Head of Social Work**



**APPENDIX 1**

**EAST AYRSHIRE COUNCIL**

**DEPARTMENT OF EDUCATIONAL AND SOCIAL SERVICES**

**SECTION 10 FUNDING 2002-2003**

**RECOMMENDED AWARDS**

<b>Organisation</b>	<b>Amount Requested (£) 2002-2003</b>	<b>Amount Recommended (£) 2002-2003</b>	<b>Amount Received (£) 2001-2002</b>	<b>Comment</b>
Ayrshire Council on Alcohol	27962	27201	26615	Criteria met ( a,d). Inflation uplift 2.2%. Move to mainstream funding.
East Ayrshire Women's Aid – Cumnock and Doon Valley	76500	64102	62722	Criteria met (a,d). Inflation uplift 2.2%. Move to mainstream funding. Transfer budget from Social Work to Community Support. Award may be reduced subject to clarification of alternative income.
East Ayrshire Women's Aid – Kilmarnock	192591	184216	180250	Criteria met (a,d). Inflation uplift 2.2%. Move to mainstream funding. Transfer budget from Social Work to Community Support. Award may be reduced subject to clarification of alternative income.
Gift Furniture Scheme – Cumnock and Doon Valley	2500	2500	8000	Criteria met (a). Evaluation required prior to decision on move to mainstream funding. Transfer budget from Social Work to Community Support. Transfer budget from Social Work to Community Support.

**APPENDIX 1(cont)**

<b>Organisation</b>	<b>Amount Requested (£) 2002-2003</b>	<b>Amount Recommended (£) 2002-2003</b>	<b>Amount Received (£) 2001-2002</b>	<b>Comment</b>
Kilmarnock and Loudoun Furniture Scheme	15320	12264	12000	Criteria met (a). Inflation uplift 2.2%. Evaluation required prior to decision on move to mainstream funding. Transfer budget from Social Work to Community Support
Rape Counselling and Resource Centre	92518	73686	72100	Criteria met (a,d). Inflation uplift 2.2%. Move to mainstream funding.
Total Recommended		363969		
Budget		369760		
Balance		5791		

**APPENDIX 2**

**EAST AYRSHIRE COUNCIL**

**DEPARTMENT OF EDUCATIONAL AND SOCIAL SERVICES**

**SECTION 10 FUNDING 2002-2003**

**APPLICATIONS WHERE NO AWARD IS RECOMMENDED**

<b>Organisation</b>	<b>Amount Requested (£)</b>
British Retinitis Pigmentosa Society	100
Cessnock Club	1350
Childline Scotland	1049
Deafblind Scotland	210
Dementia Services Development Trust	1355
ENABLE	800
Family Mediation West	4000
Grandparents Apart Self Help Group - Kilmarnock	484
Helping Hands Project	31463
Kilmarnock Branch Marks and Spencer Retired Staff Association	250
PHACE west	1000
Scottish Council on Deafness	2500
Scottish Spina Bifida Association	1500
Sensory Impaired Support Group Ayrshire	1500
The Council for Music in Hospitals	600
The Scottish Chess and Draughts Association for the Deaf	100
Victim Support Scotland	3623
West of Scotland Senior Forum	5200

**AGENDA**