

**WEST LEICESTERSHIRE CLINICAL COMMISSIONING GROUP
 BOARD MEETING**

09th July 2019

Title of the report:	Voluntary Sector Discretionary Grant Review – proposal for implementation
Section:	Managing our Finances
Report by:	Simon Baker - Contract Manager (Hosted) Sarah Shuttlewood – Associate Director Contracts and Provider Performance (Hosted)
Presented by:	Caroline Trevithick – Interim Accountable Officer

Report supports the following West Leicestershire CCG's goal(s):			
Improve health outcomes		Improve the quality of health-care services	
Use our resources wisely	✓		

Equality Act 2010 – positive general duties:
<ol style="list-style-type: none"> 1. The CCG is committed to fulfil its obligations under the Equality Act 2010, and to ensure services commissioned by the CCG are non-discriminatory on the grounds of any protected characteristics. 2. The CCG will work with providers, service users and communities of interest to ensure any issues relating to equality of service within this report are identified and addressed.

Additional Paper details:	
Please state relevant Constitution provision	APPENDIX E (2) - PRIME FINANCIAL POLICIES 12.1.3 ensure its power to make grants and loans is used to discharge its functions effectively 12.2.4 developing effective arrangements for making grants or loans
Please state relevant Scheme of Reservation and Delegation provision (SORD)	N/A
Please state relevant Financial Scheme of Delegation provision	N/A
Please state reason why this paper is being presented to the WLCCG Board	The three Clinical Commissioning Groups (CCGs) in Leicester, Leicestershire and Rutland have carried out a review of discretionary grants provided to voluntary sector organisations. This paper outlines the background to the review, the process followed and the decisions of the respective CCGs. It also sets out next steps for work by the CCGs to develop arrangements for future working with the voluntary sector to meet

	local health needs
Discussed by	<ul style="list-style-type: none"> • JMT in November 2018 • LLR CCGs involving clinicians and managers • Review panel held on 24 January 2019 • Governing Body - Board Development Session 19th March 2019
Alignment with other strategies	To support an LLR wide VSO Strategy as outlined in the report.
Environmental Implications	N/A
Has this paper been discussed with members of the public and other stakeholders? If so, please provide details	N/A

EXECUTIVE SUMMARY:

1. The three Clinical Commissioning Groups (CCGs) in Leicester, Leicestershire and Rutland (LLR) have carried out a comprehensive review of discretionary grants provided to voluntary sector organisations (VSO). This paper outlines the decisions of the respective CCGs following the conclusion of the review process which included consideration of appeals. In line with the LLR CCGs' commitment to the voluntary sector, the paper also reaffirms the CCGs' intention to focus on developing a strategy to determine future arrangements for working with the voluntary sector to meet local health needs. This will include consideration of funding options and will involve engagement with the voluntary sector.
2. Further to the paper presented to the Governing Body on 11 June 2019 'Voluntary Sector Discretionary Grant Review – proposal for implementation', the discretionary grant funding review and appeals process has now concluded.
3. As a result of the review and appeals process, the CCGs have committed to contribute £3.03million in discretionary grants to the voluntary sector in 2019/20. This includes:
 - Grant payments to all voluntary sector organisations that applied for the period 1 April 2019 – 31st July 2019 to enable the review to be completed. Full year grant funding has been provided to LOROS, which was excluded from the review due to the work being undertaken by the LLR integrated community service programme and End of Life Taskforce.
4. In addition:
 - NHS LC CCG is continuing to award grants to fourteen VSOs for the remainder of the financial year (1 August 2019 to 31 March 2020). LCCG will not be contributing to one organisation after 31 July 2019. This temporary extension of existing grants recognises the specific health issues of Leicester as a result of its particular challenges around deprivation and diversity. This is to enable discussions between the CCG and the emerging Primary Care Networks in Leicester to determine how the voluntary and community sector can contribute to supporting the achievement of local ambitions.
 - NHS ELR CCG is continuing to award grants to seven VSOs for the remainder of the financial year (1 August 2019 to 31 March 2020). ELRCCG will not be contributing to eight organisations after 31 July 2019.

- NHS WL CCG is continuing to award grants to seven VSOs for the remainder of the financial year (1 August 2019 to 31 March 2020). WLCCG will not be contributing to ten organisations after 31 July 2019

RECOMMENDATION:

West Leicestershire Clinical Commissioning Group is requested to:

- **Note** the final decision on the CCGs' allocation of discretionary grant funding for voluntary sector organisations for the financial year 2019/20

Voluntary Sector Discretionary Grant Review

Introduction

Approximately £3.3million of CCG discretionary grant funding has been invested in voluntary and community organisations on an annual basis since the LLR CCGs were established, with most of the grants being a legacy of previous commissioning organisations. This funding, which is provided on a discretionary basis, has contributed to the delivery of a variety of projects and services.

Due to significant budgetary pressures imposed on the CCGs, we are reviewing every pound we spend in order to meet our legal responsibilities to deliver essential health services. This includes reducing our own management costs and finding efficiency savings across local health services. This has also meant that CCGs have had to carefully consider their discretionary spend. In 2018 a decision was made to review all discretionary grant funding to VSOs from some or all LLR CCGs via a formal process to ensure strategic fit and value for money.

This paper describes the discretionary grant review process, including how appeals were considered, and sets out the final outcome for each grant. It also articulates the overall investment in discretionary grant funding to the voluntary sector for 2019/20.

Process

In November 2018, the CCGs' Joint Management Team (JMT) agreed a process to determine grant funding for 2019/20. This involved writing to VSO's in receipt of discretionary grant funding, informing them of a requirement to submit an application to apply for one year's funding from 1 April 2019.

Four organisations were excluded from the review process. These are listed below including the reasons why;

- The Worklink Project – grant application not submitted;
- Hinckley Carers Group – insolvency;
- Crossroads South Leicestershire – self-selected to withdraw from receiving grant funding;
- LOROS - omitted from the VSO review process due to the work being undertaken by the LLR integrated community service programme on redesigning End of Life Pathways. This included a review of the LOROS offer and the possibility of integrating LOROS with other providers.

In total, the CCGs received 22 voluntary sector discretionary grant applications, of these, 12 were for grants from all three CCGs, three were to LC CCG, two were to ELR CCG, four were to WL CCG and one was to ELR and WL CCG.

The 22 applications received were carefully considered by doctors, nurses and managers from across the three CCGs. The CCGs considered the quality of the services funded, their value for money, the potential impact of not continuing to contribute funding and whether or not alternative services are being provided through commissioned health services

The applications were reviewed by a panel including clinicians and managers on 24 January 2019. The panel scored applications against set criteria.

An Equality Impact Risk Assessment (EIRA) was undertaken 4th March 2019 and a clinical review of Quality Impact Assessments (QIA) was carried out on the 6th and 7th March 2019.

A verbal briefing was presented to each CCG Governing Body (GB) in confidential session on the 12 March 2019 with the purpose of updating boards on the process undertaken to date and to test views on the options to proceed.

An additional briefing was presented to each GB in confidential session on 9 April 2019 following further discussion at the Collaborative Commissioning Board (CCB) in March 2019 to consider the recommendations of the voluntary sector review. It was requested that GBs make a decision on discretionary grant funding for voluntary sector providers for 2019/20 based on the review outcomes.

At the request of the GBs, an enhanced review of QIAs was undertaken and delegated authority given by the GBs to the CCG Chairs and senior CCG managers to make final decisions on future funding. The findings of the enhanced review were considered by CCG Chairs and Managing Directors to enable final decision making.

The outcome of the review was communicated to organisations involved on 7 June 2019. For some organisations this meant continued grants at the full level applied for. For others, this meant the award of partial grants for 2019/20 and for some organisations it meant grants would not continue for the remainder of the financial year (following a notice period). The rationale for the decision was communicated to grant holders along with information to indicate what additional evidence and/or information would be required should they choose to appeal.

Organisations were asked to submit any appeal by 25 June 2019. Twelve organisations were eligible to appeal, of which four organisations did not submit appeal paperwork. CCGs received appeal paperwork from the remaining eight organisations.

These appeals were considered by a panel of CCG doctors, nurses, senior managers, a lay member and representatives from public health on 27 June 2019. The panel carefully considered the additional information and/or evidence submitted by organisations.

Two appeals were upheld. The remaining six were unsuccessful.

The outcome of the appeals process was communicated to the organisations involved on 28 June 2019.

Table 1 shows the review process and associated timelines.

Table 1 – Discretionary grant funding process and timelines:

Letter initiating Business cases and letter issued to VSOs	6 December 2018
Submission of business cases by VSOs	4 January 2019
Business case review panel held and business cases assessed	24 January 2019
Paper submitted to the CCB detailing review panel outcome	21 February 2019
Completion of Equality Impact Risk Assessment (ERA)	4 March 2019
Clinical review of Quality Impact Assessments (QIAs) (LCCCG, ELRCCG)	6 March 2019
Chief Nurse (LCCCG) review of QIAs	7 March 2019
Briefing to CCG GBs	12 March 2019

Paper submitted to CCB detailing review panel and QIA outcome	21 March 2019
Briefing to CCG GBs	8 April 2019
Two month extension letter issued to VSOs	9 April 2019
Enhanced QIA review (all CCGs)	15 April 2019
CCG Chairs and senior managers oversight review	2 May 2019
Governing Bodies update	14 May 2019
One month extension letter issued to VSOs	24 May 2019
Senior Leader Meeting	30 May 2019
Issue outcome letters, appeal process and requirements	7 June 2019
Governing Body Update	11 June 2019
One month extension letter issued to VSOs	20 June 2019
Appeal submission deadline	25 June 2019
Appeals panel review appeal information	27 June 2019
Outcomes communicated to VSOs	28 June 2019
Governing Body Update	July 2019 (LCCCG and WLCCG) and August (ELRCCG)

As the table highlights, following the initial panel in January 2019 where the applications were first reviewed, there have been a number of subsequent confirm and challenge sessions undertaken with clinical and managerial leads. This culminated in an appeals panel meeting consisting of the Chairs of each CCG, Managing Directors, Senior Leaders, public health and lay member representation which took place on 27 June 2019.

Outcome of the review following appeals process

The final outcome of the review following consideration of appeals is that:

- 12 organisations will receive the full discretionary grant applied for (awarded by an individual CCG or from all three CCGs)
- 6 organisations will receive a partial discretionary grant compared to historical CCG contributions (in all cases this grant is being awarded by Leicester City CCG)
- 4 organisations will not receive further grant contributions after 30 July 2019 (in one of these cases an alternative funding source has been agreed)

Table 2 below provides the LLR outcome of the review process following the appeal process.

Organisations that will receive full grant contributions in 2019/20	Organisations which will receive partial grant contributions in 2019/20 (in all cases the grants will be awarded by LCCCG)	Organisations which will not receive grant contributions post 31 July 2019
Dove Cottage Day Hospice	Clasp	Coping with Cancer
Voluntary Action Rutland	Lamp Health Advocacy	Vista*
Quetzal	Leicester Charity Organisation	St Giles
Royal Volunteer Service	Headway	Leicester Counselling Services
Barnardo's	Laura Centre	
Family Action	Steps	
Rainbows		
The Stroke Association		
Leicester YMCA 'Y' Advice and Support Centre		
LGBT Centre		
CRUSE		
Castle Donington And District Volunteer Service		

* An alternative source of funding for this grant has been identified

Table 3 below provides the outcome of the review process for WL CCG.

Organisations that will receive full grant contributions in 2019/20	Organisations which will not receive grant contributions post 31 July 2019
Castle Donington & District Volunteer Service	Leicester Counselling Service
Quetzal	Coping With Cancer
Royal Volunteer Service	Lamp Health Advocacy
Cruse	Laura Centre
Barnardos	Headway
Family Action	Vista*
Rainbows	Steps
	Leicester Charity Organisation

	St Giles Hospice
	CLASP

* An alternative source of funding for this grant has been identified

Where one or more CCGs are no longer awarding full discretionary grants, we will work with organisations to support them in making appropriate arrangements for those who may be affected. Where it is possible to do so, we are also exploring the potential for alternative sources of funding.

Next steps

The focus now the review has concluded is to develop a future strategy for working with the voluntary sector, including consideration of how this can be funded. This will include work between each CCG and the emerging Primary Care Networks in our areas, our colleagues in public health and our partners, to understand how local health needs can best be supported by the voluntary and community sector in future. Engagement with voluntary and community organisations will be a key part of this work.

RECOMMENDATIONS:

West Leicestershire Clinical Commissioning Group is asked to support the following recommendations:

- **Note** the final decision on the CCGs' allocation of discretionary grant funding for voluntary sector organisations for the financial year 2019/20