

Agenda Item	13.
Report No	CLH 50/19

HIGHLAND COUNCIL

Committee: Care, Learning and Housing

Date: 21 August 2019

Report Title: Update on Review of Funding for External and Third Sector Sports, Leisure, Culture and Community Organisations

Report By: Chief Executive

1. Purpose/Executive Summary

1.1 This report provides members with an updated overview of the current position regarding funding for External and 3rd sector Culture and Leisure service providers, and sets out proposals for progressing delivery of the £200k budget saving agreed by the Council for 2020/21.

2. Recommendations

2.1 Members are asked to:

- i. Agree the recommendation to reduce Village Hall funding by £40k with application criteria to be developed for the remaining contingency fund of £10k.
- ii. Note the process for review with recommendations to come back to this Committee for decision, and notification, to the Committee in October 2019.

3. Implications

3.1 Resource – the purpose of the review is to identify recommendations on £200k of savings to be delivered from 1 April 2020.

3.2 Legal – no implications to highlight at this stage. Any future changes to funding would require a revision to SLA's in place with funded organisations.

3.3 Community (Equality, Poverty and Rural) – to be undertaken as part of the assessment criteria.

3.4 Climate Change / Carbon Clever – nothing to highlight.

3.5 Risk – as highlighted below, slippage against the review is now anticipated and as such implementation of the saving effective from 1 April is not considered likely. That could reduce the level of saving achievable in that year.

3.6 Gaelic – some organisations in receipt of funding provide services related to Gaelic language and culture.

4. Background

4.1 In December 2014, the Council agreed reduced funding for external and 3rd sector culture and leisure service providers. Phase 1 involved a reduction of 5% in all grants and payments, and this was implemented from 2016/17. Phase 2 involved a further 45% reduction in total funding, to be implemented as part of a review that involved reconsideration of all existing payments, to be implemented from 2017/18.

4.2 From previous discussions of the group, a number of different approaches to the review have been discussed, and some potential options for review of funding for specific organisations. Despite the challenge of appraising funding for a range of very different organisations and outcomes, the need for an objective and consistent approach has also been recognised.

4.3 To date no firm recommendations in relation to funding and achievement of savings have been endorsed by the group, other than in relation to village halls where the potential to reduce the current budget of £50,000 by £40,000 was considered as a specific proposal, with proposals for how the residual £10,000 fund would be used to be developed.

4.4 The purpose of this report is to set out some further options on means of achieving the saving. **Appendix 1** sets out the list of organisations, and the current 2018/19 budget and funding position.

5. Scoring and Prioritisation

5.1 To assist member's assessment of the organisations and funding provided, a scoring and prioritisation methodology has been developed.

5.2 The Council's Corporate Plan 2017-2022 (updated 2019) outlines the eight priorities for the Council, how these will be resourced and how they will be delivered. It sets out the strategic and operational priorities and the measures and actions required to deliver and monitor the Council's priorities for 2019 – 2022. In terms of the Culture, Leisure and Sports budget the links to the Council's strategic priorities stem from a range of outcomes which support the Council's priorities, and which have been incorporated into a scoring system in an attempt to provide as objective a system as possible to assess the Council's funding priorities.

5.3 In developing this approach, the focus has been on ensuring an equitable, consistent approach whilst taking cognisance of the Council's priorities and the outcomes the Council wants to see be delivered. These also correlate with the wider integration agenda, the need to shift the balance of care, and the nine national health and wellbeing outcomes which the Highland Council and NHS Highland are working to in order to deliver better, more efficient, cost effective services. Services which have a clear focus on the improvement of physical and mental health and wellbeing, sustaining Highlands cultural heritage, tackling inequality and engaging with communities to

support this have scored higher.

6. Timeline and Next Steps

- 6.1 For the Working Group to be able to make recommendations, and to inform future discussions, further investigative work is required. The work should include the following types of information: the number of users; unit costs; capital investment over the past five years; operating, maintenance and energy costs; and income generation.
- 6.2 The complexity of the task remitted to the Working Group having been recognised, the need to mitigate any reduction in the 2020/21 budget saving because of any delays to the review process was emphasised. The Working Group had previously reached a consensus in relation to village halls, namely, that funding be reduced by £40k with appropriate application criteria to be developed for the remaining contingency fund of £10k. If this was accepted by the Care, Learning and Housing Committee, £160k of savings remained to be identified.
- 6.3 As members will recall, the timeline for this review was for conclusion and reporting of recommendations to the Care Learning and Housing Committee on 21 August. This was to allow the agreed 6 month minimum notice period to affected organisations, and implementation of the saving effective 1 April 2020.
- 6.4 It is now proposed that the revised timescale is for recommendations to the 10 October CLH Committee, with the knock on consequence that delivery of the saving would be pushed back into the latter part of quarter 1 of 2020/21, potentially reducing the first year saving.

Designation: Chief Executive

Date: 13 August 2019

Authors: Isobel Murray, Commissioning Officer and
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Background Papers:

Appendix 1 – current 2018/19 funding

	2018/19
Village halls	50,000
Duthac Centre	8,912
Assynt Leisure Centre	23,028
Mallaig Swimming Pool	81,057
Highland Disability Sport	3,391
Puffin Pool	7,175
Linnhe Leisure (Nevis Centre)	91,192
Sports Councils	34,000
Aros	7,096
Highland Printmakers	7,602
Lochaber Music School	9,123
Room 13	4,055
Youth Highland	13,435
Aviemore Highland Resort	180,000
Caithness Horizons	75,000
Uncommitted balance of funding	22,060
TOTALS	617,126