

**Community Planning Improvement Board – Guidance for the Fair Funding of the Voluntary Sector**

**Summary and Recommendations**

The Community Planning Improvement Board (CPIB) recently issued guidance which comprises 7 principles and identifies the need for sustainable funding for the voluntary (third) sector. Whilst Leaders would likely agree with the principles, the current funding context and constraints on Local Government funding might make it difficult for COSLA to formally endorse the framework until Local Government has secured similar security/sustained funding.

Leaders are invited to:

- i. provide a steer on whether formal endorsement of the guidance should be provided by COSLA in the context of the upcoming budget negotiations and potential spending review; and
- ii. agree that this view is then communicated to the Community Planning Improvement Board.

**References**

Previous reports on Verity House Agreement:

- None

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**October 2024**

## **Community Planning Improvement Board – Guidance for the Fair Funding of the Voluntary Sector**

### **Purpose**

1. To apprise Leaders of the recently circulated Guidance for the Fair Funding of the Voluntary Sector (Appendix I) produced by the Community Planning Improvement Board (CPIB) and to secure a steer on what, if any, formal endorsement Leaders may wish to provide.

### **Background**

2. In progressing their workplan the CPIB has identified sustainable funding for the voluntary (third) sector as a recurrent theme across its work streams and undertaken an exercise to develop a set of principles for fair funding for the voluntary sector. The guidance they have produced is an attempt, by the Board, to respond to the identified challenges in this area. The guidance has in recent weeks been circulated by the Chair to all Community Planning Partnerships with a request to consider how it might be adopted.
3. The Board has sought thoughts in relation to how they might implement the principles and wanted to look at what model should be used for inviting/encouraging/recommending partners to sign up to and implement these principles, and how the CPIB could best frame this with Community Planning Partnerships.

### **Key Points for consideration**


4. There was not a clear consensus on implementation, and the decision was made by the Chair to share the principles with a view to inviting Community Planning Chairs and their local CPP to consider and sign up to this guidance so that there could be a united commitment to achieve more sustainable public services in partnership across the public and voluntary sectors.
5. The CPIB has developed the principles in line with the ambitions of the Verity House Agreement to prioritise sustainable person-centred public services and to agree a fiscal framework that will enable this. As Leaders will see, the principles mirror closely those of the VHA and are built on mutual trust and respect, early engagement and collaboration, flexibility, minimal reporting and with a clear focus on outcomes.
6. To achieve these, Local Government and our wider public sector partners must have in place the long-term sustainable funding and reduced reporting and monitoring burden that not only allows for our own greater flexibility, but also enables us to work with partners across sectors in the same way.
7. Clearly, the issue of sustainable funding is a concern shared across the public sector, not least by local authorities from which the third sector and CPPs themselves derive significant funding. As we know, at this time many of the conditions for funding result from those passed on from Scottish Government direction, and requirements on significant elements of grant funding. This might also be perceived as a presumption against national contracts and frameworks like the National Care Home Contract (NCHC) and other Scotland Excel frameworks.

8. While Leaders would likely support the principles set out in the guidance (including principle 5), in the context of the above and particularly without securing agreement to multi-year settlements via the Scottish Government, it may be difficult for COSLA to formally endorse the Guidance at this time.
9. Leaders are asked to provide a steer on whether formal endorsement of the guidance should be provided by COSLA in the context of the upcoming budget negotiations and potential spending review. This view will then be communicated to the Community Planning Improvement Board.

Corporate Policy Team

October 2024

**Contribution to agreed COSLA Plan and Verity House Agreement:**

<a href="#">COSLA Plan 22-27</a>	<b>Priority Areas</b>	
	Strengthen Local Democracy	✓
	Secure Sustainable Funding	✓
	Improve the Wellbeing of Individuals, Families and Communities	✓
	Enhance Education and Support for our Children and Young People	✓
	Deliver a Just Transition to a Net Zero Economy	✓
	Support the Most Vulnerable in our Communities	✓
<a href="#">Verity House Agreement</a>	<b>Shared Priorities</b>	✓
	Tackling Poverty	✓
	Just transition to net zero	✓
	Sustainable Public Services	✓