

MEETING: 25/09/2014

Ref: 12246

## ASSESSMENT CATEGORY - Strengthening London's Voluntary Sector

HAVCO

Adv: Ciaran Rafferty

Base: Havering

Amount requested: £156,348

Benefit: Havering

Amount recommended: £156,500

### The Charity

HAVCO (Havering Association for Voluntary & Community Organisations) was established in 2001 and is the membership body for voluntary sector organisations in that borough. It provides a range of services to support, strengthen and develop these groups and is highly valued both by its membership and by the local authority, its principal funder.

### The Application

This proposal is focused on HAVCO's role as the borough volunteer centre and will provide intensive support to at least 21 organisations to improve their individual processes for recruiting and supporting volunteers. Most of the beneficiary organisations will be expected to achieve the Investing in Volunteers quality accreditation and all will be better able to support other, partner, organisations in improving their volunteer systems.

### The Recommendation

It is one of your priorities to improve volunteer management within voluntary and community sector organisations. About 7 years ago (and with support from the Trust) HAVCO took over what was then a separate, and weak, Volunteer Centre. Since then the services offered have been focused largely on brokering volunteering opportunities for the public. This application is to work intensively with host organisations to improve their ability to provide high quality opportunities:

***£156,500 over three years (£51,800; £52,000; £52,700) for the salary of a f/t Volunteer Centre Manager and project costs to improve the quality of volunteering opportunities and management in Havering.***

### Funding History

Meeting Date	Decision
30/06/2011	Declined as organisation was currently in receipt of a grant and therefore ineligible.
11/11/2010	£80,000 over two years (2 x £40,000) for two further years towards the promotion of volunteering within LB Havering, subject to the receipt of a satisfactory monitoring and evaluation report on year 3 of the existing grant.
29/11/2007	£120,000 over three years (£45,000; £40,000; £35,000) towards the salary of the Chief Executive, in particular relating to work promoting volunteering in the borough.

### Background and detail of proposal

HAVCO itself has a number of quality awards (including the Volunteer Centre Quality Award) so it recognises the value of delivering services to a recognised standard. It

now wishes to continue the development and support of volunteering in Havering which reflects the growing need for front line services, many of which are reliant on volunteers. The most appropriate standard for the organisations targeted in this project is the Investing in Volunteers UK quality standard. This is unique in its focus on best practice and covers: planning for volunteer involvement; recruiting, selecting and matching volunteers; and supporting and retaining volunteers. The impetus for this project came from the individual organisation managers (who have their own network) who wanted to improve their own practices. Whilst one of the goals is to help a set number of organisations achieve accreditation, many more will benefit through improving their general standards. The better the experience for volunteers the more likely they are to sustain their involvement.

### Financial Information

In recent years HAVCO has returned a deficit and a further deficit is forecast for the current year. At the assessment meeting on 8<sup>th</sup> August the charity explained that its history of deficits was due to its planned spending of funds which had originally been set aside for the purchase of a building but which was not now going to happen. In order to balance its budget in future, your grants officer was told that the charity intends to close services which are no longer funded or viable. The process of examining the viability of individual services is being funded by the Big Lottery's Big Assist programme.

Income and expenditure in 2014/15 is forecast to fall by 14.6% and 17.7% respectively. Confirmed income for 2014/15 was £392,000 (85.9%) by August 2014.

Whilst the charity has not previously shown its 'cost of generating funds' in its accounts, your officer has been advised that these costs will be identified in future. In the meantime, the charity has confirmed that actual expenditure under this category would equate to a proportion of the Director's salary costs and, therefore, would not be at a level which might cause concern.

Year end at 31 March	2012/13 Audited Accounts £	2013/14 Draft Outturn £	2014/15 Current Year Forecast £
<b>Income and Expenditure</b>			
Income	561,615	534,334	456,568
Expenditure	712,933	705,952	580,826
Unrestricted Funds Surplus / (Deficit)	(93,872)	(55,092)	(124,258)
Restricted Funds Surplus / (Deficit)	(57,446)	(116,526)	0
Total Surplus / (Deficit)	(151,318)	(171,618)	(124,258)
Surplus / (Deficit) as a % of turnover	(26.9%)	(32.1)	(27.2%)
Cost of Generating funds (% of income)	-	-	-
<b>Free unrestricted reserves</b>			
Unrestricted free reserves held at Year End	277,769	222,677	98,419
How many months' worth of expenditure	4.7	3.8	2.0
Reserves Policy target	178,233 – 356,466	176,487 – 352,974	145,206 – 290,412
How many months' worth of expenditure	3 - 6	3 - 6	3 - 6
Free reserves over/(under) target	99,536 – (78,697)	46,190 – (130,297)	(46,787 – 191,993)