



Llywodraeth Cymru
Welsh Government

Flexible Funding

March 2018

This information sheet is aimed at local authority officials and staff in third sector organisations in Wales and will be updated to reflect the latest information.

What is flexible funding?

There are a number of funding programmes aimed at supporting vulnerable people or communities which have been established over the years by Welsh Government. Whilst these are aimed at tackling different issues such as domestic abuse, supporting families, housing related support or workless households, they do have a great deal in common.

They all seek to prevent or mitigate disadvantage, facilitate early intervention, provide support and to build resilience in individuals and communities. Each programme is underpinned by a specific grant with its own requirements and restrictions, and associated costs and administration.

Over the last few years, the Welsh Government has been working with local authorities to align various grants. The aim has been to enable service re-design, deliver sustainable improvements in outcomes for people across Wales and reduce unnecessary bureaucracy. We are now considering the creation of a single grant – the Early Intervention, Prevention and Support (EIPS) grant.

The greater financial freedom and flexibility this would facilitate is expected to enable local authorities to work differently, giving more scope to design services to support the Government's drive for more preventative, long-term approaches.

The Flexible Funding project aims to support and promote joint planning and commissioning and more effective use of funding in pursuit of the constituent programme aims and objectives. The extra freedom also aims to allow for a more strategic approach to delivering for the most vulnerable in society.

To help test if these benefits could be realised, Welsh Government has worked with stakeholders and partners to establish seven pathfinders of this new flexible approach across 10 grants and identify lessons to inform future policy decisions.

Whilst the pathfinders will operate this new approach in 2018-19, it is important to note that no decision has been made regarding the future creation of a single EIPS grant.

How will flexible funding work in 2018-19?

The seven pathfinder local authorities who are testing an approach in 2018-19 are Cardiff, Newport, Torfaen, Rhondda Cynon Taff and Merthyr as a Public Service Board, Conwy and Bridgend. These pathfinders will have 100% flexibility across 10 grants – see Table 1.

The remaining 15 local authorities will have enhanced flexibility of 15% movement across a smaller number of grants in 2018-19– see Table 1. This will support the start of their journey to more innovative thinking on service delivery.

Each pathfinder has submitted a single delivery plan to Welsh Government for flexible funding in 2018-19 which includes details of their vision, new approaches they will be taking to achieve better outcomes for people and any changes to the way the programmes are managed, what they are doing around partnership working and details of a number of individual programme plans.

Seven Pathfinder
Local Authorities

100%

flexibility across
10 grants



15 Non-Pathfinder
Local Authorities

15%

flexibility across
5 grants



Which grants are included in 2018-19?

Table 1: Grants included in flexible funding for 2018-19 for pathfinders and non-pathfinders



Pathfinders

- Supporting People*
- Flying Start
- Families First
- Legacy Fund
- Promoting Positive Engagement for Young People
- Childcare and Play (formerly Out of School Childcare)
- Homelessness Prevention
- Rent Smart Wales Enforcement (formerly Independent Living)
- St David's Day Fund
- Communities for Work Plus (formerly the Employability Grant)



Non-pathfinders

- Supporting People*
- Flying Start
- Families First
- Legacy Fund
- Communities for Work Plus (formerly the Employability Grant)

*It is Welsh Government's expectation that local authorities should allocate funding to the Supporting People programmes at least at the level of the Supporting People allocation unless they can demonstrate that they can be sure of delivering the same, or improved, services for less money as a result of efficiencies.

What's the aim of flexible funding?

The Flexible Funding project aims to offer opportunities for service improvements directly impacting citizens, including:

- Improving access and availability of services
- Reducing service gaps and improving pathways
- Increasing understanding of need/demand

What engagement is happening?

A small stakeholder group of all local authority pathfinders, Welsh Government, Welsh Local Government Association, Welsh Council for Voluntary Action and Cymorth Cymru has been meeting regularly since the end of 2017 to discuss and progress this work.

Welsh Government will be working with the pathfinders to streamline administration and over time reduce the burden of reporting output and activity data, focussing instead on moving towards outcomes.

As part of the engagement on the project, Welsh Government has also met with local Supporting People networks, Supporting People National Advisory Board, Distribution Sub-Group, Cymorth Cymru annual conference and pathfinder local authorities.

We also held network meetings in North and South Wales with non-pathfinder local authorities in March 2018 to support them around flexible funding. We are keen to continue the engagement, so please let us know if you'd like more information.

What next?

For 2019-20, we are considering creating a single Early Intervention, Prevention and Support Grant; no decision has yet been made on this.

The pathfinders are testing out a single grant approach in 2018-19 and Welsh Government will also be commissioning an independent evaluation in 2018-19 to inform a decision by Cabinet Secretaries and Ministers.

More detail will follow in future updates.

Contact

If you would like any more information, please contact



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