

Finance Committee

Note of Rapporteur Visit to Innovate Trust's Park View Café

Date: Wednesday 30 November 2011

Assembly Members in Attendance

Peter Black AM

Committee Secretariat

Rebecca Spiller, Communications

Tom Jackson, Clerk

Introduction

Peter was met on arrival and given a short tour of the café.

During his tour, Peter spoke with people working at the café, and in particular with:

- Rob Khoo (Café co-ordinator),
- Roger Edwards (Fundraising Manager)
- Magdalena Chojnowska (Finance Assistant)

During this discussion, Peter heard about:

- the history and background of Innovate Trust and Park View Café;
- the impact that the project was having; and
- the project managers' experiences of obtaining European funding.

Key issues related to these themes are detailed below.

The history and background of Innovate Trust and Park View Café

The aim of Innovate Trust is to enable all people with a disability, ill health or mental health problems to live valued lives within the community.

Innovate Trust currently employs approximately 300 staff and has a turnover of just under £7 million per annum. It began as a Cardiff University student volunteering project in 1967. The trust receives funding from a range of sources, including: Cardiff and Vale of Glamorgan Local Authority contracts, Europe, Welsh Government, Trust Funds, donations and social enterprise.

The trust is responsible for a wide range of supported living schemes and projects, including Tenant support, Quest Employment Agency and several cafes (which provide training and work opportunities for people requiring support).

One of these café's is Park View, which was set up with European Social Funding and has recently also received support from the Big Lottery for its development into a sustainable social enterprise. The café's premises are rented from St. Luke's church.

Each trainee at the café is appointed a mentor who works with them to design a bespoke personal development plan incorporating their identified training needs and career aspirations. Training placements are flexible but are designed to be time limited with a clearly identified progression route. This process is supported so that, post- training, the mentor will support the client into the next stage of their development, whether this be Supported Employment, Volunteering or Further Education.

The impact of Park View Café

The café's contract with WCVA means that it can invoice WCVA when it delivers relevant outputs (e.g. a participant gaining a qualification, entering employment, progressing into volunteering, etc.) by particular 'milestone' deadlines. Such outputs have clearly defined definitions, and require auditable confirmation (e.g. a letter from an employer confirming a person has entered employment). A summary of such outputs is completed at the end of every quarter.

At the end of September 2011, the café could therefore verifiably state that it had engaged 29 participants, enabled 2 to go into further learning, 2 to go into volunteering, 10 to gain qualifications, and 27 to gain a positive outcome.

Staff were told that it was always possible that they could unexpectedly be audited by officials from the European Commission, Wales Audit Office, WEFO, etc and that it was important to maintain proper records. As there are less projects in the current round then it is more likely that these projects will be audited.

The number of people using the café, and consequently the income generated, was not sufficient to pay for the various trainees' working at the café. However, it was important to note that if the café became too commercial, then it may be difficult for the trainees to cope and it might be difficult for staff to properly support people with learning disabilities. A too commercial café may also have an adverse impact on people with mental health problems and their condition may worsen as a result.

Experiences of obtaining European Funding

Innovate Trust anticipate receiving in total £180,000 of European Structural Funds, via WCVA's Engagement Gateway programme. It was noted that this was the one of the few funds not affected by the recession, but the future round, 2014 – 2020 is still subject to negotiation and it is important that Wales retains the level of funding as received at present. This is to ensure that we continue to support those people who are currently at a severe disadvantage when it comes to accessing employment, training and further education.

When it comes to applying for European funding from Engagement Gateway, there are local advisors in each area who can provide assistance. The advisors are based in Cardiff Volunteer Community Services and Vale Volunteer Bureau.

It was noted that this funding was originally procured as a contract, but WCVA have now moved towards enabling funding to be received as a grant, which might enable more flexibility in how it is procured and utilised.

Roger commented that there is a significant bureaucratic process to be followed for making applications for European Funding and also for monitoring the outcomes of such funding. This was more so than for most other funds. There are also a considerable number of rules to be followed, which can often change and can be subject to interpretation, for example the rules on state aid.

In the previous European funding period, Innovate Trust had applied directly to WEFO for funding, but this time round had applied for funding from WCVA. The latter had put in a bid to WEFO with the intention of subsequently distributing such moneys. Working with the WCVA, rather than WEFO, was considered useful, because:

- They had a greater understanding of the voluntary sector.
- They were geographically easier to access and have discussions with.
- They were clearly working for their members.

However, concerns were expressed that in the 2007 - 2013 period, it was a good two years before money was made available and this was even longer in the competitiveness area. Roger explained that he understood that this delay was due to new procedures being implemented as the new programme was being rolled out, for example procedures on tendering.

Concerns were also expressed that WCVA were now involved in consultations regarding the 2014 – 2020 programme, but the existing funding from WEFO appeared to end in June 2012. While the café was not dependent on European funding, and had an exit strategy for the end of such funding, a gap in funding might result in it having to lose experienced staff who know how the monitoring process works, and having to retrain staff in 2014. Roger commented that “the worst that could happen is that we’d lose all our experienced staff, and have to start again in 2014... it’s very important that the transition between funding periods is covered.”

- *Peter noted that these were related issues that the Committee might raise with both the WCVA and WEFO.*

It was also noted that the current system of competitive tendering for procured contracts was a barrier to different social enterprise agencies collaborating or sharing good practice.

The emphasis on getting best value for public money could also lead to bids being ‘trimmed’ in order to win them, so that the administrative function of monitoring whether outcomes were being achieved might largely be performed on top of (rather than as a funded part of) a person’s full-time role. Wages for staff, or trainees, might also be cut in order to be competitive.

- *Peter noted that this was another issue that the Committee might usefully raise with both the WCVA and WEFO.*