

 WDC Executive, 10th August 2011		Agenda Item No. 6
Title	Procurement of services from the voluntary and community sector, 2012-2015.	
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Wards of the District directly affected	All wards	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Executive 30 th March 2011 – minute number 181 Executive 6 th January 2011 – minute number 110	
Background Papers	*Executive 30 th March 2011 - Recommendations of the Grants Review Panel on interim funding of the Voluntary and Community Sector; *Executive 6 th January 2011 - Recommendations of the Grants Review Panel on future funding of the Voluntary and Community Sector *Executive 28th July and 3rd February 2010 - Review of Grants with the voluntary and community sector	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes Ref 345
Equality & Sustainability Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	27.7.11	Andrew Jones
Head of Service	27.7.11	Susie Drummond
CMT	28.7.11	Chris Elliott, Bill Hunt
Section 151 Officer	28.7.11	Jenny Clayton

Monitoring Officer	28.7.11	Andrew Jones
Finance	27.7.11	Mel Gillman
Portfolio Holder(s)	27.7.11	Moira Ann Grainger
Consultation & Community Engagement		
<p>There were several strands of consultation work:</p> <ol style="list-style-type: none"> 1. with voluntary and community sector groups and organisations via a consultation form on paper and online 2. with voluntary and community sector groups and organisations via a conference 3. with service users and members of the public via a consultation form on paper and online 4. Warwickshire County Council Localities and Partnerships Team 		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **SUMMARY**

- 1.1 This report briefly summarises the progress made by the cross-party Member Grants Review Panel in developing an approach to funding the voluntary and community sector that is in line with the strategic priorities of Warwick District Council.
- 1.2 The report also outlines a reviewed structure and process for procuring and monitoring voluntary and community sector services for the period 2012-2015.

2. **RECOMMENDATIONS**

- 2.1 That Executive approves the proposed tender specification and process for procuring voluntary and community sector services for 2012-2015, as set out in Appendix 1.
- 2.2 That Executive notes the Equality Impact Assessments undertaken in relation to the service package to be procured through the tendering process, as set out in Appendices 2,3 and 4.
- 2.3 That Executive notes the annual budget for commissioning voluntary and community sector services for this year of £288,900 and that this will be the same for 2012-13 as is reflected in the Medium Term Financial Strategy.
- 2.4 That Executive notes that there is no budget to support requests from voluntary and community sector groups for emergency funding.
- 2.5 That Executive notes the results of the consultations.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The terms of reference for the Grant Review Panel states that consideration will be given to 'opportunities to better deliver the Council's priorities and support the delivery of the Warwick District Sustainable Community Strategy'. The Panel concluded that the four Thematic Priorities (Safer Communities, Health and Wellbeing, Housing, and Economy, Skills and Employment) are in the main the purview of public bodies. The Panel felt that the purpose of the Community Partnership Team grant budget should be to support voluntary and community sector activity to enable involvement, engagement, and to build the capacity of the sector. The January 2011 Executive meeting approved the use of the Community Partnership Team grant budget to broadly follow the cross-cutting themes of the Sustainable Community Strategy. The cross-cutting themes are:
 - Engaging and strengthening communities, including cohesion and embedding sustainability
 - Narrowing the gaps/ families at risk
 - Rurality
 - Targeted geographical areasIn the context of the procurement strand of the Grant Review Panel's work, these themes have been used as a framework for defining the service areas to be procured.
- 3.2 The proposed tender specification (Appendix 1) sets out seven 'schemes' of work, which will be advertised in line with the Council's Procurement Strategy from early September. A summary of the schemes and the budget allocation is shown below:

Service area 1		
Scheme A	Service or services that will provide a range of support including volunteering support to voluntary and community sector groups that are serving or wishing to serve the community in Warwick district.	Total budget for service area 1 = £55,000
Scheme B	Service or services that will develop, establish and support the running of active forums and wider networks to engage with communities of interest in Warwick district	
Service area 2*		
Scheme C	Services and activities that meet the needs of disadvantaged people living in Brunswick ward	Total budget for service area 2 = £133,900
Scheme D	Services and activities that meet the needs of disadvantaged people living in Crown ward	
Scheme E	Services and activities that meet the needs of disadvantaged people living in West Warwick ward	
Service area 3		
Scheme F	Service or services offering support to families experiencing difficulties and who do not meet the threshold for direct support from a statutory service provider	Total budget for service area = £100,000
Scheme G	Service or services that work with individuals who are experiencing or are at risk of experiencing problems with debt and/or their financial circumstances	
Total budget		£288,900
*Note – a review into community development work was planned to align with service area 2. It has subsequently been decided to undertake the review once successful bids have been awarded, to ensure the best deployment of the community development resource. £71,931 has been held back from service area 2 to enable this to take place. £25,000 of this sum is currently provided by Warwickshire County Council. The future of this contribution is unclear.		Overall total including community development work = £360,700

- 3.3 It is intended to weight the scoring of the bids in a different way than normally used by the Council. The weighting system for scoring bids is as follows:
- 60% service offer
 - 25% cost
 - 10% references
 - 5% policies and procedures in place
- 3.4 Partnership working between voluntary and community sector groups is being encouraged for numerous reasons including cost savings and the removal of duplication. Given that both partnership working and procurement processes are unexplored concepts to many voluntary and community sector groups, a training package is operating between July and September to enable groups to better participate in the procurement process. The training is being delivered by Warwickshire Community And Voluntary Action, external trainers, and Warwick District Council Procurement & the Community Partnership Team. The training package has been designed in consultation with the voluntary and community sector.
- 3.5 44 voluntary and community sector groups took part in the consultation, which ran from May to July. Groups were also asked to comment on improving the monitoring arrangements so that the monitoring undertaken by successful

bidders is relevant, proportionate, and assists the Council to see how what is being delivered is having an impact on disadvantaged people in Warwick District. An anonymised summary of voluntary and community sector responses to the consultation can be seen in Appendix 5.

- 3.6 Concurrently with the voluntary and community sector consultation, a questionnaire was distributed to service users and members of the public to provide information about what sorts of services people want to use, how far they would travel to them, and how often. 681 people submitted consultation questionnaires. The summary report on their responses can be found in Appendix 6.
- 3.7 Feedback from both these consultations has been considered alongside a range of other local issues to produce the recommended tender specification. As a result of the consultations the following points have been incorporated into the tendering process:
- Information will be provided on all the 'process' and 'clarity' issues raised by voluntary and community sector groups
 - Changes to future monitoring and evaluation arrangements based on preferences suggested by voluntary and community sector groups
 - Widening of the geographical area in which a building might be based to deliver services to residents of Crown, Brunswick, and West Warwick
 - Provision of the statistical information submitted by members of the public within the tendering process.
- 3.8 The Grant Review and the work on future funding to the voluntary and community sector have been delivered by the Members of the Grant Panel and officers from the Localities and Partnerships Team, in particular Warwick Community Partnership Team. The Community Partnership Team is a joint team with officers from both Warwick District Council and Warwickshire County Council. The knowledge and experience of these officers has been key in the development of this work and the support given to the sector as the funding approach is changed. Warwickshire County Council has also been reviewing its funding for the sector. Warwickshire County Council has relationships with a number of organisations and they manage a number of countywide contracts in partnership with the District and Borough Councils. We have worked together to try and ensure that the decisions made are as accessible and user-friendly as possible for community groups in the district. Warwickshire County Council will not be moving towards a commissioning model at the present time. Warwick District Council will continue to work with Warwickshire County Council on how we best support the voluntary and community sector and our residents.
- 3.9 The Equality Impact Assessments on the tender specification can be found at Appendices 2, 3 and 4.
- 3.10 The procurement process will follow a strict timetable to ensure that service delivery by voluntary and community sector groups will commence on 1st April 2012. The timetable is as follows:

1 September to 31 October 2011	Public advertising of the tender specification for voluntary and community sector services
9 November 2011	Scoring of bids
15 December 2011	<ul style="list-style-type: none"> • Recommendations on contract awards to successful bidders submitted to 15th December Executive

	<ul style="list-style-type: none"> • Letters to successful and unsuccessful bidders
January to March 2012	<ul style="list-style-type: none"> • Negotiate monitoring arrangements with successful bidders • Finalise any consortia arrangements
1 April 2012	Service delivery commences

- 3.11 During the consultation with voluntary and community sector groups, a series of issues particular to the sector in the current financial climate were voiced. With cuts being made to some grant pots held by public bodies, it is getting harder for voluntary and community sector groups to secure funding that covers their running costs. The Executive should note that this may result in groups requesting emergency funding for running costs.

4. **POLICY FRAMEWORK**

- 4.1 **Policy Framework** – There are no changes to the policies listed below.

- Development Plan Documents
- Fit for the Future
- Food Law Enforcement Service Plan
- The plan and strategy which comprise the Housing Investment Programme

- 4.2 **Fit for the Future** – Approval of the tender specifications for procuring voluntary and community sector services will support the vision of making Warwick District a great place to live work and visit as set out in the Sustainable Community Strategy. Full consultation has enabled us to design specifications to procure services that our residents want. By offering 3 year funding through a tender process we will get the most effective services and we will be supporting the important work the voluntary and community sector does.

5. **BUDGETARY FRAMEWORK**

- 5.1 The proposed total revenue budget for the funding of the voluntary and community sector is £280,000 for 2011-12. This is the same amount as is currently in the Community Partnership team budgets. This is also reflected in the Medium Term Financial Strategy for 2012-13 as this assumes a nil inflation increase for the next Financial Year. The latest financial projections are based upon a 2% inflationary increase the following year (2013-14, year 3 of the SLAs). Since this will not be required for these budgets, the Strategy will be updated to reflect this when next presented to members.
- 5.2 The process for procuring future services from the voluntary and community sector is in accordance with the Council's Code of Contract Practice & the Procurement Strategy. This is being used to ensure best value. There has been a high level of support and guidance from the Procurement Team throughout the development phase.

6. **ALTERNATIVE OPTION(S) CONSIDERED**

- 6.1 To continue with current funding arrangements to the voluntary and community sector, which allocates grant funding on an annual basis. The Grant Panel reviewed the current arrangements and recommended to Executive in March 2011 that work continued on commissioning arrangements for the allocation of

funding to the voluntary and community sector from 1st April 2012.

Commissioning of services was chosen:

- to offer secure funding on a 3-year basis to help groups achieve greater local stability;
- to ensure that the services the Council buys are in line with its strategic objectives, and support the Council to achieve its aims around making life better for the community;
- to encourage partnership working between voluntary and community sector groups by grouping similar types of service together, with shared objectives;
- to mainstream the focus on communities of interest groups (e.g. black and minority ethnic groups, older people's groups, rurally isolated people) so that supporting these groups is everyone's business;
- to ensure that public money is spent in the best way to secure the right services for local people.

7. BACKGROUND

- 7.1 The Executive asked the then Social Overview and Scrutiny Committee to carry out a review of grants to voluntary organisations in 2003/4. As a result of this request a small sub-group known as the Members' Grant Review Panel was formed to carry out the review. The panel is made up of the following Elected Members:
- Cllr Moira-Ann Grainger (Chair and new panel member since May 2011)
 - Cllr Les Caborn (Chair until May 2011)
 - Cllr Ann Blacklock
 - Cllr Judy Falp
 - Cllr Alan Wilkinson (replaced Cllr Misan McFarland in March 2011)
 - Cllr Michael Coker
- 7.2 The panel made a recommendation to defer the review of the 'large grants' to allow at least one year's performance monitoring to be considered. The recommendation was supported and as a result a new panel was formed on 2005/6 to review the 'large grants'.
- 7.3 The panel also recommended that the grants were awarded on the basis of 3 year Service Level Agreements as from April 2008 with reviews in time for the financial year 2011/12. There is no inflation provision during the 3 year period.
- 7.4 The scope of the review was broadened to include the full range of grants to the voluntary and community sector including the community bidding pots that the Council provides. A report outlining the Grant Review Panel's recommendations on the future allocation of all funding to the voluntary and community sector was approved by Executive in January 2011. It was agreed that the procurement of services from the voluntary and community sector would be aligned to the cross-cutting themes of the Warwick District Sustainable Community Strategy.
- 7.5 A consultation process has allowed the Grant Review Panel to meet with voluntary and community sector groups to hear their views, and also to engage members of the public in expressing their views on what services they would like and how they would like to receive them.
- 7.6 The Grant Review Panel has continued to meet regularly to oversee the development of the procurement package contained in this report, and to steer

the subsequent stages of scoring, contract awards, and monitoring arrangements.

- 7.7 In coming to the decision on the future allocation of funding, the Grants Review Panel has carried out further Equality Impact Assessments on:
- The new monitoring and evaluation arrangements
 - Service areas 1 and 3 combined (district-wide services)
 - Service area 2 (targeted geographical areas)
- These Equality Impact Assessments can be reviewed in Appendices 2, 3 and 4.