

# CABINET

## Commissioning Arrangements Voluntary, Community and Faith Sector 12 March 2013

### Report of Head of Community Engagement

PURPOSE OF REPORT			
This report is to make final recommendations on the services to be commissioned from the voluntary, community and faith sector (VCFS) for 2013 to 2016			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision		19 February 2013	
This report is public			

#### RECOMMENDATIONS OF THE LEADER OF THE COUNCIL and the PORTFOLIO HOLDER FOR VOLUNTARY SECTOR

- (1) Cabinet notes the commissioning process undertaken for services identified in the council's Delivery and Commissioning Plan
- (2) Member Panel recommendations for services to be supported are approved and service and financial arrangements agreed with delivery partners, subject to normal contractual requirements and the overall budget approved by council
- (3) The General Fund Revenue budget is updated to reflect the recommendations in this report

#### 1.0 Introduction

- 1.1 At its meeting on the 4th December 2012 Cabinet approved the publication of the Delivery and Commissioning Plan to commission services from the VCFS. (Minute 84 refers)
- 1.2 It was also agreed that the portfolio holder and Leader meet with relevant officers to agree the allocations of funding for each of the services to be commissioned subject to final confirmation as part of the budget process.
- 1.3 Recommendations for commissioned services are now provided for approval by Cabinet and to be incorporated into the 2013 -2014 budgets, within the previously agreed overall budgets.

## **2.0 Proposal Details**

- 2.1 A general invitation to tender to provide services outlined in the Delivery and Commissioning Plan was advertised via local networks and on the procurement CHEST on the 21st December.
- 2.2 Three categories of service were outlined in the plan:
  - Infrastructure – Up to £25,000
  - Volunteering Coordination – Up to £15,500
  - Advice and Information Services – Up to £200,000
- 2.3 Organisations could tender for any amount up to and including the total amount available for that category although the value of contracts awarded will need to be within the overall limit of £245,000.
- 2.4 In addition, a sum of £12,500 is reserved for small grants to be available via a grants scheme during 2013 – 14.
- 2.5 Organisations were made aware that tenders would be assessed based on the criteria agreed by Cabinet:
  - Need
  - Links to corporate priorities and other approved strategies
  - Value for Money
  - Quality Assurance (delivery to budget, timescale & expected standards)
  - Sustainability (Efficiencies evidenced & forward plan/exit strategy in place)
  - Collaboration (with other VCFS organisations, including joint tenders)
- 2.6 The deadline for tenders was the 4 February and twenty-five were received, 18 for Advice and Information (value £887,655), six for VCFS infrastructure (value £135,500) and one for volunteering (value £15,500). The total value of all tenders was of £1,038,655.
- 2.7 Tenders were assessed by an officer panel to ensure proposals met the requirements of the Commissioning and Delivery Plan, were deliverable and met agreed quality criteria (ref Para 2.4). Assessments were independently moderated to ensure consistency.

## **3.0 Services Recommended**

- 3.1 The Member panel met on the 19th February to review the tenders and to agree the recommendations to be made to Cabinet. 8 tenders were selected that collectively meet the broad outcomes detailed in the council's Commissioning and Delivery Plan and also best meet assessment criteria. The budget available of £245,000, including the £12,500 reserved for small grants, is not sufficient to meet the requested level of funding from all service providers selected and detailed negotiations will now be undertaken to ensure that services that will deliver the planned outcomes effectively and achieve value for money
- 3.2 Tenders recommended for support, nature of services offered and recommended budgets are listed at **Appendix A**.

## **4.0 Details of Consultation**

- 4.1 Specific engagement work was undertaken with VCFS partners to inform the development of the council's Commissioning and Engagement Plan. The council continues to engage with VCFS partners to monitor ongoing and emerging opportunities and issues and opportunities for the sector and the services delivered via the current Service Level Agreements and as part of a range of current partnership working arrangements.

## 5.0 Options and Options Analysis (including risk assessment)

	<b>Option 1: Agree the recommendations as proposed</b>	<b>Option 2: Allocate none or only some of the funding</b>
Advantages	<p>Benefits achieved for individuals and families in the district as a result of council support for key services.</p> <p>The resilience and capacity of the VCF sector is improved by support, development and increased collaboration.</p> <p>Contracted services will be able to start or continue uninterrupted from 1 April 2013.</p>	<p>Some or all funding available for alternative priorities.</p> <p>Possible reduction in staff resources required for contract management.</p>
Disadvantages	<p>Current budget for VCFS services will be fully committed.</p> <p>Some staff resources required for contract management.</p>	<p>Critical services to individuals and families in the district will be lost or at risk.</p> <p>Potential negative impact on viability and resilience of the VCF sector, created by loss of support and development services.</p> <p>Reduction in volunteering capacity and opportunities in the district.</p>
Risks	<p>Contractual arrangements need to be in place by 1 April. Work to confirm service details and contract terms being developed to meet this requirement.</p>	<p>Potential negative impact on individuals and families, created by loss or reduction in VCF services including advice and information.</p> <p>Potential increase in demand for mainstream services, created by early and ongoing interventions normally provided by VCFS.</p>

## 6.0 Officer Preferred Option (and comments)

- 6.1 The preferred option is Option 1. This reflects the council's priorities including the intention to support the most vulnerable in our society. Objectives and outcomes were informed by detailed assessment of needs and opportunities in the district and engagement with a wide range of service delivery partners. The commissioning process has been fair and transparent, providing opportunities for service deliverers to propose effective ways of achieving the required outcomes. Achieving Value for Money has been a key element in developing new service arrangements.

## **7.0 Conclusion**

- 7.1 The engagement of service delivery partners in the commissioning process has been invaluable and has informed the development of the council's approach to VCFS support. An open, fair and transparent commissioning process has resulted in recommendations to Cabinet that broadly meet all of the requirements of the council's Commissioning and Delivery Plan, providing optimum service delivery arrangements to deliver maximum possible benefits for local people and organisations.

### **RELATIONSHIP TO POLICY FRAMEWORK**

The recommendations are consistent with the council's Priorities and Outcomes, as identified in the Corporate Plan 2012 – 2015, specifically Community Leadership - "The voluntary, community and faith sector (VCFS) has capacity to deliver services for the district". Recommendations also support the council's intention "to protect the most vulnerable in our society".

### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

Services recommended for support are district wide and as part of contractual arrangements, services will be expected to meet all accessibility requirements. Sustainability is identified as one of the criteria for assessment of tenders in the council's Commissioning and Delivery Plan

### **LEGAL IMPLICATIONS**

The council will need to enter into appropriate contractual arrangements with service providers, which will include details of contracted services as well as financial and performance related information. Existing Service Level Agreements, including any rent contributions, with current VCFS service providers will now lapse with any final payments to be made before the 31 March 2013.

### **FINANCIAL IMPLICATIONS**

The gross expenditure budget for VCFS services in 2013/14 is £245K which is in line with the total proposed allocations. However, it should also be noted that £1K income has been assumed in respect of a 50% contribution from the County Council towards any small grants paid to old peoples clubs. These were previously paid from the welfare grants budget. Therefore, in order to ensure the net budget is not exceeded, the new small grants budget will initially need to be capped at £11.5K and only increased if specific grant allocations are eligible for the 50% contribution.

As already mentioned, all rent contributions will end on 31 March. However, any future grant recipients who are tenants in council buildings will still have their rent deducted from their proposed grant allocation (as shown in Appendix 1) before payment is made.

Finally, at the time of producing this report, the 2013/14 budget allocations were still subject to final agreement by Budget Council on 27 February 2013.

**OTHER RESOURCE IMPLICATIONS****Human Resources:**

Some staff resources are required to provide ongoing management of contracts with VCFS service providers

**Information Services:**

No direct implications

**Property:**

Rent contributions to VCFS organisations will end on the 31 March and, in line with its current policy, the council will still need to achieve the relevant rental values for council property.

**Open Spaces:**

No direct implications

**SECTION 151 OFFICER'S COMMENTS**

The Section 151 Officer has been consulted and has no further comments.

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

**BACKGROUND PAPERS**

None

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