

## **Commissioning Arrangements for the Voluntary Sector**

**4 December 2012**

### **Report of Head of Community Engagement**

<b>PURPOSE OF REPORT</b>				
To advise members of progress to date in developing a Commissioning Plan to support the voluntary, community and faith sector in delivering services to meet current and emerging local needs.				
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input type="checkbox"/>	<b>Referral from Cabinet Member</b>
				<b>X</b>
<b>Date Included in Forward Plan</b>		November 2011		
<b>This report is public</b>				

#### **RECOMMENDATIONS OF HEAD OF COMMUNITY ENGAGEMENT**

It is recommended that:

- (1) That Cabinet note the timetable and process for development of a Commissioning Plan and approve the Plan for publication in accordance with the timetable.
- (2) That Cabinet note the General Fund Revenue Budget assumptions for future years and give any early indication of whether alternative options should be considered.

#### **1.0 Background**

1.1 In November 2012, Cabinet considered a report recommending an approach to take forward commissioning arrangements for Arts and Voluntary, Community and Faith sector (VCFS) services (*Minute 71 refers*). Cabinet made a number of resolutions:

*(1) That the Commissioning Framework for Arts and Voluntary, Community and Faith sector services be approved in principle.*

*(2) That the Commissioning of Arts sector services be undertaken following the publication of the Arts Strategy in early 2013 and that existing Arts Service Level Agreements remain in place for the next twelve months*

*(3) That Investment in VCFS services for the three year period from 2013 – 2016 is focused on support for VCFS organisations, volunteering coordination, advice and information services and small development grants*

*(4) That indicative sums be agreed for each of these services by the portfolio holder and Leader once more information is available on the cost of support for VCFS organisations and volunteer co-ordination, subject to final confirmation as part of the budget process.*

*(5) That subject to the introduction of a small development grants scheme, the Council's Welfare Grants Scheme be removed.*

*(6) That final decisions on service delivery be determined as part of the procurement process and in line with the Council's Contract Procedure Rules.*

*(7) That the General Fund Revenue Budgets be updated accordingly as part of the 2013/14 Budget Process.*

*(8) That the Commissioning Plan and service specification be approved at the December Cabinet meeting, prior to the publication of the plan.*

1.2 The November report set out proposals for the allocation of commissioning funding. (set out in Appendix A). Resolution 4 sets out the procedure for approval of the proposals.

1.3 This report provides information relevant to Resolution 8

## **REPORT**

2.1 Engagement and communication in variety of ways are ongoing features at all stages of commissioning and assist in gaining the understanding that is required to focus investment on the most important services that will have the most impact. The process by which this will be achieved in respect of the Commissioning Plan is set out in the timetable attached as Appendix B

2.2 Following on from the extensive engagement that fed into the November report, two questionnaires have been developed – one for advice and information providers, the other for infrastructure support providers.

2.3 The information gathered prior to the November Cabinet report and the information gathered as a result of this exercise will inform the development of the Commissioning Plan.

2.4 The Plan will be circulated in accordance with the timetable for members' consideration at the meeting.

2.5 The Commissioning Plan will comprise details of services to be supported, intended level of investment, timescales and performance management arrangements.

### **3.0 Details of Consultation**

3.1 Consultation with VCFS partners has been ongoing over the last two years with members and council officers engaging in discussions on a range of sector issues,

3.2 All organisations with existing SLA's with the council have been engaged in discussions regarding potential commissioning arrangements.

3.3 In addition, dialogue and engagement with Lancashire County council has taken place and areas for joint working and investment are emerging. The proposals for joint investment in volunteering coordination have arisen as a direct result of this.

#### **4.0 Options and Options Analysis (including risk assessment)**

A detailed options analysis and risk assessment was developed as part of the November report to Cabinet. Cabinet may wish to consider the draft budget assumptions and these are outlined in the financial implications section.

#### **5.0 Officer preferred option**

The preferred option is to approve the Commissioning Plan and funding allocations once published

#### **6.0 Conclusion**

- 6.1 The council has taken steps towards introducing the commissioning arrangements proposed in this report over the last two years. Detailed reviews of current SLA's, an assessment of local needs and opportunities and communications and engagement work with the VCFS have been undertaken, leading to these proposals. The recommendations provide a means of steering the council's investment in VCFS services to achieve the maximum impact linked to current needs and opportunities in the district. In addition, they will provide clear, transparent arrangements that focus on value for money and impact and support the principle already agreed by Cabinet at earlier meetings.
- 6.2 Specific steps have been taken to work with Lancashire County Council with the potential to invest jointly providing a more strategic investment in some services.

#### **RELATIONSHIP TO POLICY FRAMEWORK**

Proposed commissioning arrangements fit with Corporate Plan priorities and outcomes as follows:

- The voluntary, community and faith sector has capacity to deliver services for the district
- Local communities are actively working with partners to improve where they live in ways that matter to them
- Efficiency savings and service improvements achieved through joint working and shared services
- Impact of welfare reforms managed well to avoid any unnecessary impact on local communities

#### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

The proposals potentially impact on a wide range of people and organisations. The work undertaken to understand local needs and the VCFS issue and opportunities has helped to inform the proposals, which seek to have a positive impact within the limits of the funding available.

#### **LEGAL IMPLICATIONS**

Contractual arrangements with VCFS partners will need to reflect the council's requirements in line with normal requirements.

#### **FINANCIAL IMPLICATIONS**

The current approved budget in 2012/13 for VCFS Service Level agreements totals £242,500 including two rent contributions and these figures have been used in the report for

illustration purposes to demonstrate how the total amount would be split across the different areas of the VCFS Sector.

An inflationary element of 2% is currently assumed in the draft budgets for 2013/14 onwards and Cabinet may wish to consider whether this remains or whether grant levels should be kept at the same level as 2012/13 – or indeed whether any other budget options should be considered. If the decision were taken to keep grants at the 2012/13 level there would be a total saving of £12.7k against future years' draft budgets.

Ongoing review and monitoring of the Commissioning Framework by the Partnerships Team will continue with ongoing support from Financial Services and Legal Services, where appropriate, throughout the process.

#### **OTHER RESOURCE IMPLICATIONS**

##### **Human Resources:**

Staff capacity is required for the procurement of services and ongoing engagement and performance monitoring of service contracts

##### **Information Services:**

No direct implications from this report

##### **Property:**

Currently two allocations are made to VCFS organisations in respect of rent of council premises, although this is inconsistent in that this support is not available to other organisations in the same way. Current council policy is to achieve market values for its properties and the council would be required to charge tenants in line with this.

##### **Open Spaces:**

No direct implications from this report

#### **SECTION 151 OFFICER'S COMMENTS**

If Cabinet wishes to consider any budget proposals regarding VCFS funding it is advisable to give an early indication now, although options could still be identified and considered later during the budget process when prospects and affordable priorities are clearer, but prior to VCFS services actually being commissioned.

#### **MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments

#### **BACKGROUND PAPERS**

Local Assessment 2012  
Engagement Workshops Report  
Commissioning Framework 2013 – 2016

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## Proposals for commissioned services 2013 – 2016

## Lancaster City Council Corporate Outcomes

◆The voluntary, community and faith sector has capacity to deliver services for the district◆Local communities are actively working with partners to improve where they live in ways that matter to them◆Efficiency savings and service improvements achieved through joint working and shared services◆Impact of welfare reforms managed well to avoid any unnecessary impact on local communities

Services	Objectives	£'s pa	Services	Additional requirements/ comments
VCFS Infrastructure services	<ul style="list-style-type: none"> <li>•To provide a central point for VCFS advice, information and support</li> <li>•To assist VCFS organisations to develop strong and efficient business models for the future</li> </ul>	£25,000	<ul style="list-style-type: none"> <li>•Training</li> <li>•Business advice and development</li> <li>•Development of shared services/joint resourcing</li> <li>•Developing tendering and contracting capacity</li> <li>•Sector quality standards</li> <li>•Research and data provision</li> <li>•Communications across the sector</li> <li>•Grants and trusts</li> <li>•Liaison with public sector partners</li> <li>•Monitoring changes and sector development</li> </ul>	<ul style="list-style-type: none"> <li>•Collaborative approach between a small number of infrastructure agencies with a lead agency providing coordination.</li> <li>•Requires that infrastructure bodies operate at a level that means they can support but are not in competition with the organisations they assist.</li> <li>•Requires a focus on support for high demand / critical services which may change over time</li> </ul>
Volunteering coordination	<ul style="list-style-type: none"> <li>•To increase levels of volunteering in the district</li> <li>•To provide efficient, effective coordination of volunteers at a central point</li> </ul>	£15,500	<ul style="list-style-type: none"> <li>•Volunteer information and publicity</li> <li>•Recruitment</li> <li>•Training and support for volunteers and volunteer managers</li> <li>•Relevant checks</li> <li>•Vacancy management</li> <li>•IT and all information requirements</li> <li>•Development of quality standards</li> <li>•Monitoring the value and impact of volunteering</li> </ul>	<ul style="list-style-type: none"> <li>•To be provided as match funding for Lancashire County Council contribution via One Lancashire to support volunteering coordination in Lancaster district</li> <li>•Collaborative approach between infrastructure agencies and partners with a lead agency providing coordination</li> <li>•Support for VCFS organisations and community groups to recruit and manage volunteers</li> </ul>
Advice and information	<ul style="list-style-type: none"> <li>•To provide accessible advice and information services</li> <li>•To reduce levels of debt, poverty, personal distress and isolation</li> <li>•To reduce demand for crisis interventions</li> </ul>	£190,000	<ul style="list-style-type: none"> <li>•Specialist advice and information, such as Debt advice, basic needs and crisis advice, including food, housing, personal care, Disability and mental health</li> <li>•Access to services information</li> <li>•Liaison with public sector and VCFS</li> <li>•Training</li> <li>•Ensuring quality service standards</li> <li>•Monitoring changing levels and types of demand</li> </ul>	<ul style="list-style-type: none"> <li>•Requires a collaborative approach between specialist agencies with a lead partner taking the coordination role</li> <li>•Needs to take account of predicted huge increase in demand</li> <li>•Focus on early intervention and prevention</li> <li>•Requires extensive volunteering support</li> </ul>
Small grants	<ul style="list-style-type: none"> <li>•To support development of VCFS organisations</li> <li>•To protect or develop critical services</li> </ul>	£12,500	<ul style="list-style-type: none"> <li>•Grants to support sustainability of VCFS organisations, skills and development of new capacity</li> <li>•Grants to support design, testing and development of new services to meet identified needs</li> </ul>	<ul style="list-style-type: none"> <li>•To provide limited support to meet gap created as similar schemes end in 2013</li> <li>•Management agency to be selected via relevant processes</li> </ul>

## APPENDIX B

Commissioning timetable	
Milestone	Dates
Cabinet decision	6 November 2012
Detailed service design in consultation with specialist partners	6 November – 30 November 2012
• <i>Questionnaires out (Advice and Information providers / and Infrastructure support providers)</i>	<i>12 November 2012</i>
• <i>Detailed information from One Lancashire/ county council (Volunteering coordination)<sup>1</sup></i>	<i>12 – 28 November</i>
• <i>Deadline for responses to questionnaires</i>	<i>23 November 2012</i>
• <i>Analysis</i>	<i>26 – 28 November</i>
• <i>Commissioning Plan drafting</i>	<i>22 – 30 November</i>
• <i>Cabinet</i>	<i>4 December 2012</i>
Publication of Commissioning Plan and service specifications	14 December 2012
Deadline for submission of bids proposals for service delivery	25 January 2013
Assessment of proposals (member involvement)	w/c 4 February 2013
Contractual arrangements in place	1 April 2013
Contract monitoring / performance management	Ongoing

<sup>1</sup> Selnet (Social Enterprise Lancashire Network) on behalf of ONE Lancashire have recently been awarded £130,000 through Lancashire County Council's 2012-14 Central Gateway Grants to Third Sector Organisations to deliver a Pilot Project that will create and deliver a county wide strategic approach to volunteering.