

VOLUNTARY SECTOR COMMISSIONING
Report by Head of Environmental and Community Health

1. INTRODUCTION

- 1.1 The purpose of this report is to seek Members' approval to shift the present approach from grant-aiding community and charity projects annually to commissioning some longer-term services, proactively from the voluntary and community sector.

2. BACKGROUND

- 2.1 Historically Huntingdonshire District Council has been able to support community and charity projects within Huntingdonshire to help to provide the widest possible range of services to all sectors of the community. This has been achieved by advertising and accepting bids on an annual basis, evaluating those bids and prioritising them for consideration against the available budget (capital and revenue). The final allocation is determined by two nominated Members after detailed consideration of the competing merits of the many bids.
- 2.2 The present procedure for financially supporting voluntary and community services and initiatives has operated for 10 years. A commissioning model would fundamentally change this approach to either directly inviting tenders or dealing directly with specific voluntary/community organisations.
- 2.3 The bidding and sorting process of the existing system has limited the awards to funding only those projects, initiatives or services that have been submitted. It is essentially a reactive process. Commissioning services could allow the Council to be more pro-active in seeking bids for funding support to meet specific service criteria. In this way the commissioning framework could reflect the Council's objectives and those within the Strategic Community Strategy, giving a more focused procurement of community and voluntary support. The commissioning process also allows service objectives/outcomes to be determined at the outset and monitored during the life of the commissioning agreement.
- 2.4 At the last Grant Award meeting, 26 April 2007, the nominated Cabinet Members with a view to changing the present grant aid allocation process to a commissioning model linked to the Authority's priorities set out in Growing Success and the Cambridgeshire Local Area Agreement.

Growing Success priorities:

- ◆ A clean 'green' attractive place;
- ◆ Housing that meets local need;
- ◆ Safe, vibrant and inclusive communities;
- ◆ Healthy living;
- ◆ Access to services and transport; and
- ◆ A strong diverse economy.

Local Area Agreement priorities:

- ◆ Children and Young People;
- ◆ Safer and Stronger Communities;
- ◆ Healthier Communities & Older People; and
- ◆ Economic Development & Enterprise.

2.5 The commissioning process will clearly set out: what services or activities the authority will wish to directly commission, a description of the service/activity to be provided, the key targets required for the service/activity and the performance indicators against which the service/activity provided will be monitored, plus the level of funds available for each area of activity.

3. NEED FOR FINANCIAL SUPPORT OF VOLUNTARY SECTOR, ETC

3.1 An active and vibrant voluntary and community sector is an important measure of social capital. Social capital is seen as important for communities in counteracting any tendency toward anti-social behaviour or discrimination between minority groups, etc; it maintains the sense of 'community'. There are also benefits for socially-active individuals as research shows their personal sense of well-being and content are increased by community participation or voluntary service.

3.2 It is estimated that there are over 1,500 voluntary and community organisations active in Huntingdonshire. The vast majority of voluntary and community organisations operate without any reference to statutory sector agencies.

3.3 Presently the Council financially supports voluntary and community services/activities from a variety of service areas in addition to the traditional grant aid budget:

- ◆ Transport
- ◆ Community safety
- ◆ Healthy Lifestyles
- ◆ Leisure development
- ◆ Arts
- ◆ Economic development

3.4 It must be noted that a small number of strategically important voluntary and community organisations also receive funding from other statutory agencies, Cambridgeshire County Council and Cambridgeshire Primary Care Trust. In these cases it would be appropriate that joint commissioning agreements be established with the relevant statutory agency.

3.5 In addition to addressing the Council's and LAA priorities set out in 2.4 above, the Council would expect all providers to promote and deliver inclusive services to all communities, irrespective of ethnicity, gender, disability, religion/faith or sexual orientation. Providers will therefore be encouraged to build up a representative service user base across all the groups, ensuring that all the needs of diverse groups are met.

- 3.6 If Members support the commissioning model, a framework will be established that will outline what is required of the service provider, the proposed assessment process and performance targets for each service. In addition it is proposed there should be a number of mandatory criteria to satisfy. These would cover issues such as: management & financial systems, equal opportunities, employment practices, insurance, procedures for protection of vulnerable adults and children (see annex 2 below), plus monitoring and evaluation procedures. (Annex 1 below provides an outline of potential service targets for commissioned services. Annex 2 outlines the management standards which the Authority could expect all organisations to adhere.)

4. MINIMISING THE IMPACT OF CHANGE ON SMALL VOLUNTARY ORGANISATIONS

- 4.1 Moving to a commissioning model will very possibly result in a reduction in the number of organisations being directly supported by the Council. The difficulty this may pose for some small organisations who are not able to supply commissioned services, or who are unwilling or unable to form an alliance with others within the sector to fulfil some commissioned role, could be minimised in some cases by a minor alteration to the Council's Capital Grant constraints.

- 4.2 Historically the revenue grant aid budget has been used by small local voluntary and community organisations when seeking financial support to purchase equipment, eg computers, photocopiers etc. These are capital items that could be supported through capital grant aid. The present terms of reference for the capital grant aid budget are quite constrained, with the priorities set at: village hall, playing field and play areas. Accessibility to the fund is further limited to one-off expenditure. If the present terms of reference for the capital grant aid budget were amended, this would allow these minor capital bids to be considered and help address any concerns that might arise from the voluntary sector about the changes from grant-aid to commissioning.

5. CONCLUSION

- 5.1 Historically Huntingdonshire District Council has been able to support community and charity projects within Huntingdonshire. The present procedure for financially supporting voluntary and community services and initiatives has operated for 10 years. The existing system has limited the awards to funding only those bids that have been submitted. The commissioning process allows procurement of service to achieve the Council's and/or identified community objectives; it also allows service objectives/outcomes to be determined at the outset and monitored during the life of the commissioning agreement to ensure that the desired outputs/outcomes are being realised for the investment. A commissioning approach is being promoted by the Audit Commission as an example of good practice.

6 RECOMMENDATIONS

- a. It is RECOMMENDED that Cabinet approves the proposal to move to a commissioning approach in future.

- b. It is RECOMMENDED that the terms of reference for the capital grant aid budget be amended to relax the eligibility criteria to allow a wider range of voluntary and community applications to be considered.

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Annex 1

Annex 1 a	Build social capital
Priority	HDC - Safe, vibrant and inclusive communities LAA - Safer and stronger communities
Key Target	<ul style="list-style-type: none"> • To enable Huntingdonshire residents to take an active part in their community • To work to ensure that communities are inclusive
Service Description	<p>A professional support, development and promotion service for the voluntary and community sector (VCS), to enable it to become more sustainable, enterprising and effective. This will include:-</p> <ul style="list-style-type: none"> • Practical assistance and support, including a fundraising service, training and general support on governance, management and employment; • Leadership of the sector, including taking the lead on initiatives to encourage and facilitate groups to network, merge or cluster, and common share services and facilities; • Representation of the sector at strategic level, facilitating third sector involvement in shaping the delivery of public services; • Facilitating consultation and communication, including providing an effective liaison function between the local authority and the VCS, through newsletters and consultative mechanisms, and enabling the views of the VCS to be articulated on local, regional and national policies and issues; • Build the capacity of the VCS to enable them to meet collectively the need of their communities in terms of both community leadership and service provision.
Performance Indicators	<ul style="list-style-type: none"> • At least £X pounds per annum levered into Huntingdonshire through funding bids; • A minimum of X organisations per annum supported to present bids to external funders; • X organisations supported to acquire accreditation relevant to their service area. (These include IIP, PQASSO, Quality Mark etc.) • X organisations per annum supported to develop enterprise strategies; • Database of voluntary/community organisations in Huntingdonshire (not just affiliated members) provided and updated twice a year; • Web site newsletter produced containing funding information, updated monthly.
Funding	£ xxxxxx for 5 years
Indicative Award	1

Annex 1 b	Volunteering, development and support
Priority	HDC - Safe, vibrant and inclusive communities LAA - Safer and Stronger Communities
Service Description	A volunteer development agency, to provide services to volunteers and volunteer-involving organisations. This will include: <ul style="list-style-type: none"> • Developing a local volunteering infrastructure; • Developing and widening volunteering opportunities in the voluntary, statutory and private sectors; • Targeting excluded and underrepresented groups; • Improving co-ordination and joint working between the major volunteer-involving organisations in Huntingdonshire; • Working with partners to create pathways from volunteering to employment where appropriate; • Raise the profile and knowledge of volunteering opportunities in Huntingdonshire; • Develop arrangements for recognising the voluntary contributions individuals and organisations are making in Huntingdonshire; • Provision of personal development and support for volunteers.
Performance Indicators	<ul style="list-style-type: none"> • Increase the number of volunteers recruited and placed with organisations as follows: 2007/08 – X 2008/09 – X 2009/10 – X 2010/11 – X 2011/12 – X • Plan and organise X volunteering events per year to promote volunteering opportunities in Huntingdonshire. • Increase the number of organisations receiving volunteers by X % per year. • X volunteers per annum acquiring national accredited qualifications for their volunteering.
Funding	£ xxxxx for 5 years
Indicative Award	1

Annex 1 c	Advice and Information
Priority	HDC - Safe, vibrant and inclusive communities LAA - Safer and Stronger Communities
Service Description	To provide independent, accessible and equitable generic advice and information service for local residents to accredited quality level. All advice services must be accessible face to face, electronically or by telephone. The service will include: <ul style="list-style-type: none"> • Dealing with advice cases to address social exclusion; • Work with other advice agencies to improve co-ordination of advice services, provide guidance and deliver mentoring support.
Performance Indicators	<ul style="list-style-type: none"> • A minimum of xxxxx advice cases dealt with in the following areas: Income maximisation/specific for welfare benefits; Homelessness; Employment; and Immigration and asylum per annum • A minimum of xxxxx hours of advice delivered per annum. • A minimum of £xxxxx gained for clients from advice per annum. • A minimum of 10% of operational funds per annum acquired externally.
Funding	£ xxxxx for 5 years
Indicative Award	1/2

<u>Organisational Criteria (mandatory)</u>	
Management	You must hold regular committee meetings, including an annual general meeting, and you must have a business plan or demonstrate that you can develop such a plan for your organisation.
Financial Systems	You must comply with all financial and accounting requirements of Charity and/or Company law. You must follow good practice in relation to internal financial controls. Organisations with an annual turnover of £10,000 and above must have published accounts.
Equal Opportunities	You must have a written equal opportunities policy and code of practice and these must comply with current relevant legislation.
Employment Practices	For organisations where staff will be recruited to deliver services, you must hold advertised and open competitive interviews, and fill the post only through the results of these interviews. You must issue all staff with a statement of principal terms and conditions of employment and a job description.
Insurance	Your organisation must have and maintain adequate insurance cover for your activities, events, staff, premises, equipment and vehicles including: <ul style="list-style-type: none"> ◆ Public liability; ◆ Employers liability cover if staff are employed; ◆ Property and equipment insurance against fire, theft, loss or damage; ◆ Vehicle/driver insurance if vehicles are owned and/or driven; ◆ Personal indemnity if advice is given to members of the public.
Criminal Records Bureau	You must ensure and have evidence that all staff working with children and vulnerable adults have been vetted through the Criminal Records Bureau.
Protection of vulnerable adults	Organisations working with vulnerable adults must have a protection of vulnerable adults policy and procedure. Employees or volunteers working with vulnerable adults must be trained in the protection of vulnerable adults.
Child Protection	Organisations working with children must have a child protection policy and procedure. Employees or volunteers working with children must be trained in child protection.