

Summary Sheet

Council Report:

Cabinet and Commissioners' Decision Making Meeting – 12 December 2016

Title:

Voluntary and Community Sector Infrastructure and Advice Services Provision

Is this a Key Decision and has it been included on the Forward Plan?

No

Strategic Director Approving Submission of the Report

Shokat Lal, Assistant Chief Executive

Report Author(s)

Carole Haywood, Policy and Partnerships Manager
Waheed Akhtar, Voluntary Sector Liaison Officer

Ward(s) Affected

All

Summary

This report covers three key contracts with voluntary groups for the delivery of advice services to the public and for the delivery of infrastructure services to the voluntary and community sector (VCS). The report also outlines forthcoming reviews into these service areas. The three contracts are held with:

- Citizens Advice Rotherham and District (CARD) – for generalist advice, welfare rights, debt and money advice
- Kiveton Park Independent Advice Centre (KPIAC) – for welfare rights, debt and money advice
- Voluntary Action Rotherham (VAR) for infrastructure support services to help VCS organisations become more effective and sustainable.

All three contracts are due to terminate at the end of March 2017. This report seeks approval to award a one year contract to the existing providers to enable reviews to be undertaken which will include identification of key stakeholders, assessment of future service needs, links to other related provision and providers, appraisal of different delivery models, clarification of future budget efficiencies, consultation and co-production with relevant stakeholders.

Recommendations

1. That the information in this report regarding the work being carried out on welfare rights, debt and money advice provision to individuals through Citizens Advice Rotherham and District and Kiveton Park Independent Advice Centre; and the proposed review of these supported services be noted.
2. That the information on infrastructure support services being provided to VCS groups through Voluntary Action Rotherham; and the proposed review of this support be noted.
3. That approval be given to exemptions under Standing Order 38 from the provisions of Standing Orders 47/48, in order to allow time to undertake and complete reviews of service provision and delivery models by July 2017 (in the context of the council's future budget challenges and which would be reflected into future contracts for 2018/19 onwards), to enable the award of contracts to the three current providers listed at section 7 of this report at existing levels for a period of one year from 1 April 2017.
4. That approval be given to the start of the procurement process for future contracts for advice services provision and VCS infrastructure services provision from 1 April 2018.

List of Appendices Included

None

Background Papers

- "Rotherham: State of the Voluntary and Community Sector 2015" – Sheffield Hallam University – available here: www.varotherham.org.uk/wp-content/uploads/2016/02/Rotherham-SOS-Report_Final.pdf
- Rotherham Compact – draft version available here: <http://www.varotherham.org.uk/compact/>

Consideration by any other Council Committee, Scrutiny or Advisory Panel
N/A

Council Approval Required
No

Exempt from the Press and Public
No

Title: Voluntary and Community Sector Infrastructure and Advice Services Provision

1. Recommendations

- 1.1 That the information in this report regarding the work being carried out on welfare rights, debt and money advice provision to individuals through Citizens Advice Rotherham and District and Kiveton Park Independent Advice Centre; and the proposed review of these supported services be noted.
- 1.2 That the information on infrastructure support services being provided to VCS groups through Voluntary Action Rotherham; and the proposed review of this support be noted.
- 1.3 That approval be given to exemptions under Standing Order 38 from the provisions of Standing Orders 47/48, in order to allow time to undertake and complete reviews of service provision and delivery models by July 2017 (in the context of the council's future budget challenges and which would be reflected into future contracts for 2018/19 onwards), to enable the award of contracts to the three current providers listed at section 7 of this report at existing levels for a period of one year from 1 April 2017.
- 1.4 That approval be given to the start of the procurement process for future contracts for advice services provision and VCS infrastructure services provision from 1 April 2018.

2. Background

- 2.1 The council currently has three key contracts in place for (i) the delivery of advice services to the public; and (ii) for the delivery of infrastructure services to the voluntary and community sector (VCS). Reviews into both areas are proposed which will include identification of key stakeholders, assessment of future service needs, links to other related provision and providers, appraisal of different delivery models, clarification of future budget efficiencies, consultation and co-production with relevant stakeholders. Both areas of provision are considered further below.

Advice Services to the public

- 2.2 The advice services considered in this report are delivered through two contracts held respectively by Citizens Advice Rotherham and District (CARD) - known formerly as Citizens Advice Bureau - and Kiveton Park Independent Advice Centre (KPIAC). Together, they provide universal welfare rights, debt and money advice to individuals across Rotherham. CARD also provides advice on other issues such as employment disputes, discrimination and housing.

- 2.3 The advice provided in Rotherham is based on a “4-tier model” of delivery. Tier 4 is the highest level, comprising specialist advice and appeals; tier 3 covers high level knowledge-based advice and casework; tier 2 is generalist advice; and tier 1 – the lowest level - is primarily signposting. In general, CARD and KPIAC provide tier levels 1-3 advice. Tier 4 delivery of welfare services and debt management is managed by the Advocacy and Appeals team within RMBC, which receive referrals from other service providers. This report covers advice provision at level 1-3; further consultation and assessment will be required in early 2017 on the scope of the review of advice services.
- 2.4 CARD deliver tier 1 to 3 generalist advice work across Rotherham via an “open door” service delivered from the RAIN building, Eastwood Lane from 9am-5pm Monday to Friday, plus two hours on a Thursday evening till 7pm. In addition, they operate a telephone helpline from 9am-4pm, Monday to Friday. Six outreach sessions are delivered per week at eleven locations (on a rota basis). CARD also offer a home visiting service for the housebound as well as wider, generalist advice provision, including on the issues of: welfare and benefits; housing; debt; employment; tax; power of attorney; problems with solicitors; discrimination; health; and education.
- 2.5 KPIAC are funded to raise local public awareness of welfare rights and to increase benefits take up, as well as helping clients to manage debt and generally improve their financial capability (tiers 1-3). Geographically, KPIAC mainly covers the Kiveton area of the borough and other areas on an outreach basis.
- 2.6 During the financial year 2015/16, the Council’s funding has enabled CARD and KPIAC to secure additional funding of over £234K from the Money Advice Service and other funders. Over two million pounds has been secured into Rotherham in welfare benefits/ tax credits gains (including backdated benefit awards or arrears for individuals provided with advice and support).

Voluntary & Community Sector (VCS) infrastructure support

- 2.7 Infrastructure services provide support that helps VCS organisations across the borough to become more effective and sustainable. This is done through the provision of information, advice, training facilities and help with networking, partnerships, advocacy and campaigning. It includes specific support for volunteering, supporting people to set up voluntary and community organisations or social enterprises; and bringing VCS groups / organisations together in networks and forums to inform and influence strategic planning.
- 2.8 Voluntary Action Rotherham (VAR) is currently contracted by the council to deliver VCS infrastructure services in Rotherham until 31st March 2017.
- 2.9 The VAR contract supports activity in line with strategic aims based on the needs and priorities identified by VCS organisations and partner agencies. These are:

Increasing individual and community engagement, resilience and self-help through:

- Provision of co-ordinated information, communications and consultation
- Support to increase volunteering opportunities and volunteering take up
- Support to small community groups

Increasing high quality VCS service delivery, innovation and effectiveness through:

- VCS representation, voice and influence
- Facilitating new forms of service delivery
- Supporting VCS organisations to develop business planning underpinned by robust governance and evidence bases

Targeted support to some of our most deprived communities and responding to the Welfare Reform agenda through:

- Targeted activity to increase involvement and take up of services and funding to deprived communities
- Continued involvement in the Welfare Reform Agenda and support on specific initiatives

Increasing the resources to the Borough and maximising value for money through:

- Liaison with external funding bodies to increase funding opportunities to the Borough on-going links with major funders e.g. Big Lottery, EU funding, Trust Funds
- Increase in donations and giving
- Funding and financial management advice to VCS organisations including specific support on bid writing
- Development of consortia/ lead body joint approaches to delivery of services, contract management, commissioning and purchasing

2.10 A Sheffield Hallam University report entitled "[Rotherham: State of the Voluntary and Community Sector 2015](#)" (published in January 2016 and funded by the Rotherham Together Partnership) was commissioned to enable a better understanding of the sector across Rotherham and improve awareness of the issues facing VCS groups.

2.11 The report shows in particular the economic and social contribution of VCS groups to the borough. The sector employs around 2,100 full-time paid and 1,500 part-time paid staff; 81% of these employees being women, and many employees live in the borough. £99m is contributed to the economy per annum by paid employees of Rotherham VCS organisations. There are around 49,000 volunteer roles and 12,300 committee/board members, together providing 85,300 hours of volunteering per week; and their economic contribution being estimated at a further £88 million.

3. Key Issues

Advice Services

- 3.1 There are a number of other providers of advice in Rotherham in the VCS and within the council. Key areas of advice provision have been on issues related to welfare rights, debt, housing, employment and immigration issues. Public sector budget pressures and new ways of delivering services, as well as national welfare reform changes (such as the recent lowering of the benefit cap, which can into effect from 7th November 2016), will have the potential to increase demand for advice services locally as people find themselves in need of reliable welfare benefits, debt and other advice due to changing eligibility. An assessment of future advice need in Rotherham is therefore required, as part of a review of current service delivery models and the way they operate.
- 3.2 Previous reviews have been carried out into this area of advice service provision. The last review was held in 2014 and the current delivery model across the four tiers of support is the result of that review. The scope of the next review, which will be clarified further during the early part of 2017, will shape future delivery of the services. The scope of provision needs to bring in current and desired provision within the voluntary sector and other partners (including Rotherham Clinical Commissioning Group) as well as other services within the Council (including Public Health, Children's Services and Adult Care and Housing).
- 3.3 Appropriate timescales and lead-in time will be required to facilitate this assessment and review, and to enable co-production of solutions and future models of operating with the VCS. A one year extension (from 1st April 2017) of the existing contracts would afford a degree of stability to the current delivery organisations and enable further participation in the review, leading to the ability to commission a longer term contract for service delivery from 1st April 2018.

VCS Infrastructure services

- 3.4 With the pressures on budgets and the changes taking place across the public sector, the role of the VCS will become even more critical in helping to ensure appropriate service delivery and support to communities. Rotherham has a large community sector made-up of small neighbourhood groups - 79% of groups are classed as 'micro', meaning that their income is under £10k per annum. However, at the moment the scope for utilising this community asset base further is limited. Most of these small organisations are sustaining themselves through volunteers and fundraising and are not set up for (nor have the desire for) managing public sector contracts. Therefore, only a relatively small number of key larger organisations have the ability to potentially take on contracts.

- 3.5 The sector also faces an uncertain future, with a large proportion of organisations having very limited finances to fall back on if their funding reduces. Just over half have insufficient reserves to cover more than three months expenditure, suggesting the sustainability of many organisations is under threat. Reserves provide organisations with funds to fall back on in the short term and adapt if key external funding or other income reduces; and they provide flexibility to develop new and innovative activity that might not have attracted external funding from the outset.
- 3.6 In order to ensure sustainability, VCS organisations will need to carry out fundraising; secure a broader range of grants and contracts; generate earned income; work in partnership with others or pursue organisational change such as mergers and consortia.
- 3.7 With rapid changes in the Council and the wider public sector, and new ways of working linked to a reduction in the size of available budgets, investment in infrastructure support helps to nurture and develop a wider range of VCS organisations which can then support communities in their neighbourhoods or area of expertise.
- 3.8 It is proposed that a year's extension be provided to the existing agreement with VAR which currently finishes at 31st March 2017. This will offer stability to the delivery organisations and wider VCS participation to co-produce a service specification with the opportunity to test the market via a tendering exercise and a new delivery model to start in April 2018.

4. Options considered and recommended proposal

- 4.1 In consideration of the above issues, the following options are set out for consideration:
- a. Option 1 – Undertake a tendering process now – however, this would not enable the completion of reviews necessary to inform intelligently the service specifications over the next two to three years and the implementation of the tendering process in time for continued service delivery from April 2017.
 - b. Option 2 – Award one year contracts to the existing providers from 1st April 2017, at current annual contract levels, then reflect on a process of service/specification reviews and market test through a tendering process. This tendering process would offer the potential of a longer term contract period with delivery starting from 1st April 2018.
- 4.2 The recommended option for Cabinet to approve is Option 2.

5. Consultation

- 5.1 Discussions with the current providers have been held on the recommended approach outlined in this report. Further discussions will take place on an ongoing basis in the light of the review process and to co-design new specifications to meet outcomes required (see also the timetable in section 6).

6. Timetable and Accountability for Implementing this Decision

- 6.1 Should Cabinet endorse the recommended option at Section 4 above, the following outline timescales are envisaged (subject to detailed development):

Dec. 2016	Cabinet decision on proposed approach and one year extension (from 1 st April 2017) to existing contracts
Dec. 2016	Formal letters of confirmation to providers with three month lead-in period in line with good practice
Jan. 2017	Scope services to fall within the review of advice services need and provision; and also for the VCS infrastructure review
April 2017	Consultation with providers and VCS organisations to shape new service delivery
July 2017	Completion of reviews
July 2017	Co-design of new service specifications in light of reviews
Sep. 2017	Start of tendering processes
Dec. 2017	Confirmation of delivery partners and contracting processes
April 2018	Start of new service delivery

7. Financial and Procurement Implications

- 7.1 The current annual contract values are as follows:

- Citizens Advice Rotherham and District (CARD): £200,000
- Kiveton Park Independent Advice Centre (KPIAC): £27,698
- Voluntary Action Rotherham: £203,526

- 7.2 Procurement services will provide guidance for the tendering exercise to be carried out in 2017.

- 7.3 In light of the pressures on RMBC budgets consideration will also need to be given to potential budget efficiencies that may be realised as a result of this review.

8. Legal Implications

- 8.1 An exemption under Standing Order 38 from the provisions of Standing Orders 47/48 is requested to enable the award of one year contracts to the three providers listed at section 7.

9. Human Resources Implications

- 9.1 There are no direct HR implications for the council. If contracts are not extended then there will be HR implications for the voluntary sector providers highlighted in this report.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 Proposals in this report impact positively on Children, Young People and Vulnerable Adults through the provision of advice services for individuals and families and through the infrastructure support for VCS groups.

11 Equalities and Human Rights Implications

- 11.1 Equalities and Human Rights requirements are incorporated into the Council's procurement processes and will be fully reflected in the consultation and specification co-design process for the future provision of services, as set out in this report

12. Implications for Partners and Other Directorates

- 12.1 Through the council's Improvement Plan work is being done on an Equalities Strategy, the refresh of the Rotherham Compact, and reviews of commissioning and neighbourhood working. The refreshed service specifications will take into account all relevant learning from these work streams.
- 12.2 Where appropriate, partners and other services should be consulted on any service reconfigurations to be reflected in the new specifications.
- 12.3 The approach highlighted in this report is consistent with the principles of the Rotherham Compact (which is currently being refreshed).

13. Risks and Mitigation

- 13.1 Without continuation of contracts service delivery in these areas will stop. A one year extension will enable relevant reviews and co-design of service specifications with the VCS to be completed effectively.

14. Accountable Officer(s)

Shokat Lal – Assistant Chief Executive

Justin Homer - Head of Policy, Improvement and Partnerships

Approvals Obtained from:-

Finance and Corporate Services:- Stuart Booth

Legal Services :- Ian Gledhill, Dermot Pearson

HR Services:- Tracey Parkin

Procurement:- Helen Chambers

This report is published on the Council's website or can be found at:-

<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>