

## **Summary Sheet**

### **Committee Name and Date of Committee Meeting**

Cabinet and Commissioners' Decision Making Meeting – 13 November 2017

### **Report Title**

Voluntary and Community Sector Infrastructure Services Provision

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

Yes

### **Strategic Director Approving Submission of the Report**

Shokat Lal, Assistant Chief Executive

### **Report Author(s)**

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### **Ward(s) Affected**

All

## **Summary**

Infrastructure services provide support that helps voluntary and community sector (VCS) organisations across the borough to become more effective and sustainable. Active and vibrant community groups and voluntary organisations are the backbone of local communities and work collaboratively with residents and with the Council to make a positive difference. The Council's funding for infrastructure support means that local groups and organisations can access capacity building support and be part of a Rotherham-wide network.

Community and voluntary organisations have an important role in helping to build resilient communities across the borough and in supporting residents - particularly the most vulnerable.

The current infrastructure services are provided by Voluntary Action Rotherham (VAR) with the engagement of Rotherham Ethnic Minority Alliance (REMA). The current arrangements run until the end of March 2018.

As part of considering arrangements for the next three years, a review into the infrastructure support needs of the VCS in Rotherham has been completed. The purpose of this review was to assess the effectiveness of the existing service and to identify future needs. The outcome of this is the recommended continuation of infrastructure support (in line with the commitments of the Rotherham Compact), with a priority focus on activity and support aligned to communities and neighbourhoods as set out in the Council and Rotherham plans. The next stage in the process is to invite bids for there to be a lead infrastructure organisation to work with the Council to develop full proposals and then lead the delivery over the next three years.

## **Recommendations**

1. That the activities and outcomes of the review into voluntary and community sector infrastructure services be noted.
2. That approval be given to the start of the grant bidding process and to the appointment of a lead provider for voluntary and community sector infrastructure services delivery; with a grant funding agreement to be in place for the period 1 April 2018 to 31 March 2021 with a three year value of £560,578.
3. That within the generality of infrastructure services, umbrella support and communications, the grant funding agreement be to prioritise the following activity:
  - a) Supporting the move to North, South and Central community based working and the evolving council approach to neighbourhood working by providing capacity building support to current, new and emerging community and voluntary sector organisations based in the areas across the borough;
  - b) Supporting the development of active citizenship by helping to build social capital in communities through volunteering (both informal and formal);
  - c) Encouraging greater participation of the VCS at both strategic and operational level across networks and partnerships in the borough;
  - d) Providing the support and development opportunities for individuals working in the voluntary and community sectors to participate in policy development and partnership working with the Council and other local partners;
  - e) Providing external funding support to community and voluntary sector organisations, achieving increased external funding into the borough; and
  - f) Promoting equalities and tackling inequalities, including building stronger communities through helping different communities to work together (particularly those facing social exclusion) to foster community cohesion.

## **List of Appendices Included**

Appendix A –Report on the Contract Review and Recommissioning of Voluntary and Community Sector Infrastructure Services

## **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](http://www.varotherham.org.uk/wp-content/uploads/2016/02/Rotherham-SOS-Report_Final.pdf)

*Rotherham Compact* – available here:

[http://rotherhamtogetherpartnership.org.uk/downloads/file/8/the\\_rotherham\\_compact](http://rotherhamtogetherpartnership.org.uk/downloads/file/8/the_rotherham_compact)

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**  
Overview and Scrutiny Management Board – 8 November 2017

**Council Approval Required**  
No

**Exempt from the Press and Public**  
No

## **Voluntary and Community Sector Infrastructure Services Provision**

### **1. Recommendations**

- 1.1 That the activities and outcomes of the review into voluntary and community sector infrastructure services be noted.
- 1.2 That approval be given to the start of the grant bidding process and to the appointment of a lead provider for voluntary and community sector infrastructure services delivery; with a grant funding agreement to be in place for the period 1 April 2018 to 31 March 2021 with a three year value of £560,578.
- 1.3 That within the generality of infrastructure services, umbrella support and communications, the grant funding agreement be to prioritise the following activity:
  - (i) Supporting the move to North, South and Central community based working and the evolving council approach to neighbourhood working by providing capacity building support to current, new and emerging community and voluntary sector organisations based in the areas across the borough;
  - (ii) Supporting the development of active citizenship by helping to build social capital in communities through volunteering (both informal and formal);
  - (iii) Encouraging greater participation of the VCS at both strategic and operational level across networks and partnerships in the borough;
  - (iv) Providing the support and development opportunities for individuals working in the voluntary and community sectors to participate in policy development and partnership working with the Council and other local partners;
  - (v) Providing external funding support to community and voluntary sector organisations, achieving increased external funding into the borough; and
  - (vi) Promoting equalities and tackling inequalities, including building stronger communities through helping different communities to work together (particularly those facing social exclusion) to foster community cohesion.

### **2. Background**

- 2.1 Infrastructure services provide support that helps voluntary and community sector (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.

- 2.2 A report on existing service arrangements was presented to the Cabinet and Commissioners' Decision Making Meeting held on 12 December 2016. Subsequent to that a review into the infrastructure support needs for the VCS in Rotherham has been completed. The review report is attached at Appendix A.
- 2.3 This report now gives recommendations to seek to appoint a lead organisation for infrastructure services for the three year period 1 April 2018 to 31 March 2021. The current single infrastructure grant agreement is held by Voluntary Action Rotherham and ends on 31 March 2018. Some of the services in the current grant are delivered through Rotherham Ethnic Minority Alliance under a sub-contract arrangement. Collectively, this service supports activity in line with strategic aims based on the needs and priorities identified by VCS organisations and partner agencies. The aim of the recommended process will help to ensure a transition to the new arrangements from April 2018 without interruption to services to the voluntary sector.
- 2.4 A Sheffield Hallam University report entitled "Rotherham: State of the Voluntary and Community Sector 2015 Rotherham" (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.
- 2.5 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.
- 2.6 The Council's current grant funding for infrastructure support enables capacity building across the VCS as a whole. It helps to support the development of the VCS to thrive and deliver by building capacity and capability in individual organisations and communities.

### **3. Key Issues**

#### **3.1 The Review Process**

- 3.2 A Steering Group was convened to oversee this review with the following membership:
- Councillor Taiba Yasseen – Cabinet Member for Neighbourhood Working and Cultural Services
  - Shokat Lal – Assistant Chief Executive
  - Nathan Atkinson – Assistant Director, Strategic Commissioning
  - Jackie Mould – Head of Performance, Intelligence and Improvement

The group was supported by:

- Carole Haywood – Policy and Partnership Manager
- Waheed Akhtar – Voluntary Sector Liaison Officer

### **3.3 Methodology**

#### **3.4 The following activities have contributed to the review:**

- a) Desktop research looking at the existing service provision, specifications from other areas, advice from the Local Government Association (LGA), discussion with other local authority leads and web based information on the needs of the sector.
- b) Stake-holder engagement – further details given below.
- c) Consultation workshops combined with an online questionnaire.
- d) Writing of a review report and a new grant specification in light of the feedback and the Council's needs.

### **3.5 Stakeholder engagement**

#### **3.6 A number of activities were undertaken to engage relevant stakeholders in the review as detailed below.**

#### **3.7 Joint sessions between the Council's Senior Leadership Team, Assistant Directors and voluntary sector representatives. In September 2016 a networking event was held between SLT, Assistant Directors and VCS groups represented in the Rotherham Together Partnership structures. At a follow on session held on Wednesday 14 June 2017 at the Unity Centre, productive discussions were held in four key areas:**

- a) Commissioning, Procurement and Finances
- b) Locality and Neighbourhood Working
- c) Prevention and Early Intervention
- d) Building Stronger Communities

### **3.8 Single Infrastructure Grant – presentation on delivery**

At its meeting of 3 July 2017, VAR and REMA gave a presentation to the Review Steering Group on achievements in the last 3 years of delivery under the grant agreement. The presentation and discussion also focussed on current demand, needs of the sector, challenges and future trends nationally and locally. Feedback was also given on a satisfaction survey carried out with local VCS groups.

### **3.9 Consultation workshops**

Three consultation sessions were held during August 2017. Their purpose was to help inform the grant specification for the provision of infrastructure services. The sessions were designed to cover the three locality areas (North, South and Central) and were held at different times of day (morning, afternoon and early evening) to enable a range of people to be involved.

### **3.10 Review report**

A more detailed review report has been prepared and this is attached at Appendix A.

### 3.12 Findings

The review found overall satisfaction from users of the existing services. The consultation process shows that VCS groups felt that the general composition of the current infrastructure priorities was correct but that it needed some adjustment and targeting. Some of the needs/issues highlighted are available through the existing services and can be addressed by further targeted communications. The feedback is summarised below:

- General - There should be more focus on bringing people together from different geographical areas and different communities. Flexibility should be retained for targeting as required through the period of the contract.
- Communication - Consider how communication can be improved especially to smaller community groups and how the new neighbourhood working arrangements can support this approach. Ensure that communication works both ways and have effective mechanisms in place to gather intelligence / information about issues and trends from the sector e.g. if a group is closing down and how it may impact on local communities.
- Equalities / Inclusion – Promote equalities and ensure continued support for BME communities and women.
- Joint working – Promote more of a culture of partnership working between all groups. Examine how we can promote mentoring roles within communities for larger/established groups to support smaller/new groups. Encourage more strategic decision making with organisations like the Big Lottery and the Arts Council.
- Support needs – VCS groups are facing pressures through increased demand on services especially as the delivery of public sector services is being cut back at the same time as funding sources are drying up. This is particularly the case for medium sized voluntary organisations. There are issues around sustainability for some groups e.g. just one month's funds being held in the account makes them very sensitive to cash flow problems. Additional issues include: opportunities for self-help, attracting more private sector sponsorship, and further development of VCS consortia.

### 3.13 Revised Grant specification

- 3.14 The main outcomes for the work will be to develop a strength based asset approach across the communities in Rotherham, ensuring both geographical and thematic areas of interest are covered.
- 3.14 There will be a focus on aligning this activity to the shared priorities of the Council's plan and the Rotherham Plan 2025. This approach will be to work with the VCS to develop the capacity and capability of the VCS to future proof a level of resilience against a backdrop of public sector austerity.
- 3.15 In addition to the above existing areas of work, and taking into account feedback from the review, there will also elements of the specification that will include:

- a) Supporting the move to North, South and Central community based working and the evolving council neighbourhood approach by providing capacity building support to current, new and emerging community and voluntary sector organisations based in the areas across the borough;
- b) Support the development of active citizenship by helping to build social capital in communities through volunteering (both informal and formal);
- c) Encourage greater participation of the VCS at both strategic and operational level across networks and partnerships in the borough;
- d) Providing the support and development opportunities for individuals working in the voluntary and community sectors to participate in policy development and partnership working with the Council and other local partners;
- e) Provide external funding support to community and voluntary sector organisations, achieving increased external funding into the borough; and
- f) Promoting equalities and tackling inequalities, including building stronger communities through helping different communities to work together (particularly those facing social exclusion) to foster community cohesion.

#### **4. Options considered and recommended proposal**

4.1 Rotherham has a large and vibrant voluntary and community sector which adds great value to the quality of life for local residents. The sector plays a wide range of roles and is made up of organisations of all types and sizes, covering all sections of the community and thematic areas of interest. The Council's continued investment in this service demonstrates a commitment to building a strong and resilient third sector.

4.2 In consideration of the issues highlighted in this report, the following options are available:

##### **4.3 Option 1 – Stop service provision on termination of the current arrangements**

The existing grant agreement will end on 31<sup>st</sup> March 2018. Without action now to make follow-on arrangements, services to support the development and sustainability of the sector will not be available. This will have a detrimental impact on the estimated 1,400 groups in the VCS who will be left without independent support to recruit and develop volunteers and their organisations. It will also contradict the consultation exercise, which the Council has undertaken to help inform the content of the new grant specification.

4.4 Under this option, a full Equality Impact Assessment would be required due to the impact on protected characteristic groups under the Equality Act. The provision of voluntary sector infrastructure services helps contribute to the development of the sector which is in line with the Rotherham Compact.

##### **4.5 Option 2 – Undertake the grant bidding exercise and appoint a lead organisation to deliver infrastructure services for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2021.**

- 4.6 This will provide vital infrastructure services to the sector and help the Council and other public services with the implementation of further transformational change in a period of limited budgets and austerity.
- 4.7 To deliver the specified outcomes, the Council are looking for a lead organisation that provides a range of infrastructure support and has the ability to work across the whole of the VCS to support the development of sustainable and viable communities. The Council would welcome the lead organisation developing a collaborative approach, engaging with other organisations as appropriate in the planning for and delivery of functions, if this approach can demonstrate enhanced service delivery.
- 4.8 There is no identified disproportionate impact on any 'protected characteristic' group and a full impact assessment is not required.
- 4.9 The recommended option for Cabinet to approve is Option 2.

## **5. Consultation**

- 5.1 As detailed in section 3 of this report, the review Steering Group has considered the information from:
- Performance of the existing service provider including a user satisfaction survey
  - Joint discussions between senior Council officers and VCS representatives
  - Three face to face consultation workshops and an online consultation.

## **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):

<b>Date</b>	<b>Description</b>
13 Nov 2017	Cabinet
Sep–Nov 2017	Document preparation for inviting bids
20 Nov 2017	Issue invitation to bid
16 Jan 2017	Deadline for bids
30 Jan 2018	Confirm future provider
1 Feb 2018 to 31 March 2018	Detailed planning and grant funding agreement stage
1 April 2018	Start of new service delivery

- 6.2 The above timetable shows that the new contract arrangements could start in April or May dependent on the TUPE requirements. If the start date is after 1 April 2018, services will be maintained in the interim period by extension of the current provider's grant agreement.

## **7. Financial and Procurement Implications**

- 7.1 The current grant per annum is £203,526. It has been proposed that there will be a £25k reduction in years two and three of the grant for the next three years. It is proposed grant in each of the three financial years would be:

Year 1 (2018/19)	£203,526
Year 2 (2019/20)	£178,526
Year 3 (2020/21)	£178,526
Total	£560,578

- 7.4 If an extension to the existing provider's grant agreement is required for a period of up to two months to allow TUPE transfer to be completed, this will be managed within the annual budget available.

## **8. Legal Implications**

- 8.1 Section 11 of appendix 5 to the Council's constitution (Financial Regulations) makes provisions for entering into a grant funding agreement, as provided for in the Compact. The Financial Regulations set out the relevant requirements for awarding of the service level agreement together with monitoring, review and accountability and the compact sets out processes for dispute resolution.

## **9. Human Resources Implications**

- 9.1 There are no direct HR implications for the Council. If the existing voluntary sector providers highlighted in this report do not bid, or bid and are not successful in securing the delivery contract, there will be HR implications for them. There may also be implications arising from the Transfer of Undertakings (Protection of Employment) Regulations 2006 for any new provider.

## **10. Implications for Children and Young People and Vulnerable Adults**

- 10.1 Proposals in this report impact positively on children and young people and vulnerable adults through the provision of 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. The current VCS infrastructure service grant agreement includes specific delivery targets to BME organisations and communities. The future provider will be required to specify how they will apportion their work to include protected characteristic groups under the Equalities Act.

## **12. Implications for Partners and Other Directorates**

- 12.1 The refreshed grant specification takes into account all relevant learning from the consultation. The approach highlighted in this report is consistent with the principles of the Rotherham Compact.

## **13. Risks and Mitigation**

- 13.1 The timetable for the grant bidding is extremely tight and the process will need to be closely managed. Therefore this report is being brought in order to enable the start of the process of the grant bidding process as well as the appointment of a provider on completion of the process.
- 13.2 There may be implications under the Transfer of Undertakings (Protection of Employment) Regulations 2006. These issues will be taken into account in the procurement process and planned into the delivery. If as a result, the new provider cannot start on 1<sup>st</sup> April 2018, service continuity will be managed through a short extension of existing arrangements.
- 13.3 The Council's relationship with the voluntary and community sector is important and as service transformation progresses the role of the sector will be even more significant. The provision of infrastructure services will help to support the sector further in this partnership and service delivery role. This work supports the delivery of the Rotherham Compact principles.

## **14. Accountable Officer(s)**

Shokat Lal – Assistant Chief Executive

Jackie Mould – Head of Performance, Intelligence and Improvement

Approvals obtained on behalf of:-

	<b>Named Officer</b>	<b>Date</b>
Strategic Director of Finance & Customer Services	Lisa Darnell	24/10/2017
Assistant Director of Legal Services	Stuart Fletcher	25/10/2017
Head of Procurement (if appropriate)	Karen Middlebrook	25/10/2017
Head of Human Resources (if appropriate)	N/A	

*Report Author: Jackie Mould, Head of Performance, Intelligence & Improvement*

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