

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

### **1. Introduction**

- 1.1 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.
- 1.2 A review of the Single Infrastructure Grant (SIG) agreement for the provision of infrastructure services to voluntary and community sector (VCS) groups has been carried out. The purpose of this is to inform the details of a new grant specification for the three year period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2021.
- 1.3 The review considered the suitability of existing provision in light of the needs of the VCS and the Council. It also provided information on new areas that would need to be included in a revised grant specification.
- 1.4 The Council's 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. Infrastructure support is vital to a strong, well-managed and connected VCS that can adapt to a changing world.

### **2. Current infrastructure services provision**

- 2.1 Voluntary Action Rotherham (VAR) currently holds a grant agreement with the Council to deliver infrastructure services in Rotherham. Some of the infrastructure support services are delivered through Rotherham Ethnic Minority Alliance (REMA) under a sub-contract arrangement.
- 2.2 VAR previously held a three year grant agreement with the Council to deliver these services in Rotherham until 31<sup>st</sup> March 2017. This grant agreement was extended for a year following approval of a report on the service arrangements to the Cabinet/Commissioner Meeting held on 12<sup>th</sup> December 2016.
- 2.3 The existing VAR grant agreement supports activity in line with strategic aims based on the needs and priorities identified by VCS organisations and partner agencies. These are:

- a) 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
- b) 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
- c) 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
- d) 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

### **3. The Voluntary and Community Sector in Rotherham**

- 3.1 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.
- 3.2 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 is estimated at a further £88 million.

3.3 In a time of public sector transformation, harnessing the power of the VCS is essential to helping communities remain resilient, promoting self-help, co-operation and enabling new forms of service delivery.

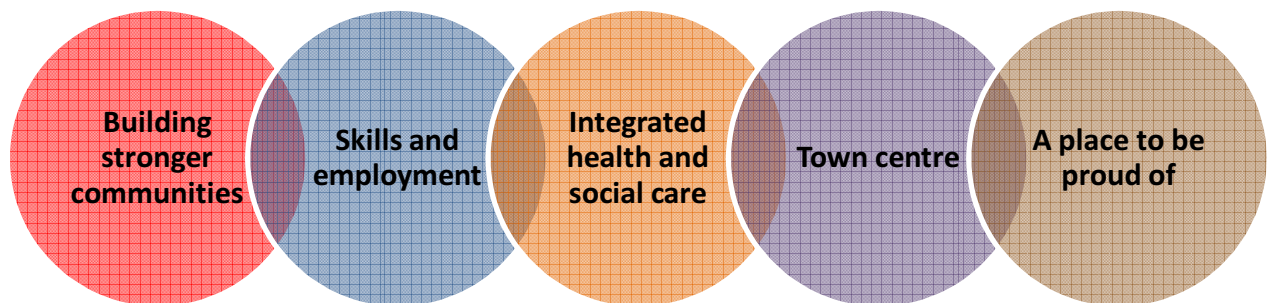
#### **4. Review Context – strategic priorities**

4.1 It is envisaged that all future infrastructure support service provision will operate within the strategic priorities for Rotherham. These are set through partnership arrangements such as Rotherham Together Partnership and through the Council's own arrangements.

#### **4.2 The Rotherham Plan 2025**

4.3 The Rotherham Plan 2025 was launched in March 2017 alongside the Rotherham Compact. This plan is available on the internet ([http://rotherhamtogetherpartnership.org.uk/downloads/file/7/the\\_rotherham\\_plan\\_a\\_new\\_perspective\\_2025](http://rotherhamtogetherpartnership.org.uk/downloads/file/7/the_rotherham_plan_a_new_perspective_2025)) and it outlines the priorities for the borough.

4.4 It outlines a number of game changers as shown in the diagram below which will be integral to local plans. And the Council can't deliver that without all partners working together – including the voluntary and community sector. The VCS will have an impact on all of these game changers. Further information is available in the Rotherham Plan document itself.



#### **4.5 Health and Well Being Strategy**

4.6 The Rotherham Health and Wellbeing Board sets out its strategic priorities in the local Health and Wellbeing Strategy, which all partners contribute to and support delivery of; including Voluntary Action Rotherham, which helps ensure the voice of the voluntary sector is heard at the board and included in the strategy.

- 4.7 The strategy includes five aims which have been chosen because the delivery of them is important to all partners, and no single agency is able to tackle the issues alone, the VCS therefore have an impact on each one of these:
- All children get the best start in life
  - Children and young people achieve their potential and have a healthy adolescence and early adulthood
  - All Rotherham people enjoy the best possible mental health and wellbeing and have a good quality of life
  - Healthy life expectancy is improved for all Rotherham people and the gap in life expectancy is reducing
  - Rotherham has healthy, safe and sustainable communities and places
- 4.8 Further information about the board and strategy can be found here: <http://www.rotherhamhealthandwellbeing.org.uk/>

#### **4.9 Rotherham Council's priorities**

- 4.10 In the last two years the Council has redefined what it stands for, through a clear vision for the organisation and the borough. This includes changing how the Council makes decisions, so that it is more open and accountable than ever before; redesigning how it works with other agencies; and driving forward some of the key changes that it wants to see with a focus on delivering better services even with unprecedented financial pressures.
- 4.11 During the summer of 2015, the Leader of the Council and the Commissioners, supported by other leading councillors and a range of partners, met with people across Rotherham to listen to their views and their priorities for the future. The 'Views from Rotherham' consultation was based on 27 roadshow sessions as well as the Rotherham Show, a 'Chamber means Business' event and an online consultation. In total, the views of around 1,800 people were received and a 'Views from Rotherham' consultation report was published in September 2015 to summarise the key findings.
- 4.12 The Leader of the Council, in consultation with other elected members, has used the feedback received to define a new vision for the borough, as follows:

*Rotherham is our home, where we come together as a community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper, and where no one is left behind.*

- 4.13 To achieve this, the Council will work in a modern and efficient way to deliver sustainable services in partnership with local neighbourhoods, looking outwards yet focussed relentlessly on the needs of residents. To this end the Council set out four priorities:

- Every child making the best start in life
- Every adult secure, responsible and empowered
- A strong community in a clean, safe environment
- Extending opportunity, prosperity and planning for the future

4.14 The VCS infrastructure services grant will help to deliver on all of these priorities.

#### **4.15 Building Stronger Communities**

4.16 'Building Stronger Communities' is Rotherham Council's strategy for community cohesion. It is central to the vision set out for the Council – emphasising that Rotherham is a shared community, which values decency, and provides opportunities so that no one is left behind.

4.17 The Building Stronger Communities strategy and a draft action plan were approved at the Council's Cabinet meeting on 15th May 2017 and are available here:

<http://moderngov.rotherham.gov.uk/ieListDocuments.aspx?CIId=1003&MIId=13751&Ver=4>

#### **4.18 The Rotherham Compact**

4.19 The Rotherham Compact is an agreement between public sector organisations (public services) who are members of the Rotherham Together Partnership (RTP) and voluntary and community organisations in Rotherham (referred to collectively as the voluntary and community sector). It sets out commitments on both sides to improve the way in which public organisations and the VCS work together for the benefit of communities and citizens.

4.20 The Rotherham Compact document is available online here: [http://rotherhamtogetherpartnership.org.uk/downloads/file/8/the\\_rotherham\\_compact](http://rotherhamtogetherpartnership.org.uk/downloads/file/8/the_rotherham_compact)

#### **4.21 Locality / Neighbourhood Working**

4.22 The Council and its partners are developing a place-based approach including the evolving Council Neighbourhood Strategy in Rotherham that will:

- Enable the Council, its partners and communities to work together to improve outcomes at a local level
- Make the most effective use of the available resources and local assets to achieve identified and shared outcomes for the area
- Develop innovative approaches to enable more people to help themselves and each other

## **5. The Review Process**

### **5.1 Steering Group**

5.2 A Steering Group was convened to oversee this review with the following membership:

- Shokat Lal – Assistant Chief Executive
- Cllr Taiba Yasseen – Cabinet Member for Neighbourhood Working and Cultural Services
- Nathan Atkinson – Assistant Director, Strategic Commissioning
- Jackie Mould – Head of Performance, Intelligence and Improvement

5.3 The group was supported by:

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

## **6. Methodology**

6.1 The following activities have contributed to the review:

- 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
- Stakeholder engagement
- Consultation workshops combined with an online questionnaire
- Writing of a review report and a new grant specification in light of the feedback and the Council's needs.

### **6.2 Desktop research**

6.3 The desktop research phase included discussions or information sharing on VCS support arrangements with the three other local authorities in South Yorkshire. It also included reviews of information from further afield based on officer knowledge and on advice from the LGA on good practice and from authorities that had recent experience of undertaking similar reviews.

6.4 The research raised a number of issues which would require further consideration:

- A single provider/consortium approach – other areas are using a number of approaches to providing infrastructure support. Many areas prefer a single contract approach with either a single or lead provider who deals with the Council liaison officer on the delivery of services. Where elements of the services are delivered by separate organisations, greater emphasis on coordination is often required.
- Encouragement of consortium based approaches to the delivery of services where larger VCS organisations can support smaller ones to develop their capacity.

- Demand for many council services remains high at the same time as the period of austerity and service transformation. The situation is similar for VCS providers of services. In this context prioritisation may be required in terms of the services provided or the issues/groups targeted for support.
- Developing and using digital services including opportunities for place based online crowd-funding on websites such as 'spacehive'
- Greater involvement of the private sector and the promotion of corporate social responsibility
- Enabling social value through the commissioning and delivery of services
- Understanding the 'offer' to the VCS and communities more widely and that this is not just about providing grant funding but also about effective dialogue and in-kind support such as access to meeting spaces
- Recognising that there are organisations that provide support to VCS groups other than those funded directly by the local authority and that this support should complement other providers e.g. that provided by the National Council for Voluntary organisations (NCVO) or by national/regional sports associations
- Support for grass roots community groups including faith groups
- Mobilisation of communities by working with local groups and addressing local issues

## **6.5 Stakeholder engagement**

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

### **6.7 Joint sessions between Senior Leadership Team (SLT), Assistant Directors and voluntary sector representatives**

6.8 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<sup>th</sup> June 2017 at the Unity Centre, productive discussions were held in four key areas:

- Commissioning, Procurement and Finances
- Locality and Neighbourhood Working
- Prevention and Early Intervention
- Building Stronger Communities

6.9 The event in June was structured to help exchange ideas and experiences with the aims being to: raise awareness / share information; develop relationships and contacts; and the development of future opportunities for collaborative working. About 40 people attended with equal numbers of council and VCS representatives.

6.10 Issues raised through this workshop are being progressed through different work streams and progress will be reviewed at a follow up meeting. Voluntary Action Rotherham, as the current infrastructure service provider, will help to ensure that these issues are progressed.

### **6.11 Single Infrastructure Grant Agreement – review of delivery**

6.12 At its meeting of 3<sup>rd</sup> July 2017, VAR and REMA gave a presentation to the Review Steering Group on achievements in the last three years of delivery under a grant agreement. Highlights include:

- Since 2014 VAR's membership has been increased by 19% to 840 organisations (out of an estimated 1400 groups in Rotherham) – the largest proportion (36%) being micro groups with an income of less than £10,000 per annum
- 5,552 volunteer enquiries were received and 4,574 volunteer applications processed
- 29 training courses were delivered to 171 volunteer managers
- 6,000 people participated in community action events
- £2,500,000 was secured by Rotherham groups following advice, funding searches and bid writing support by the infrastructure providers

6.13 This represents a significant return on the Council's investment into infrastructure services.

6.14 The presentation and discussion also focussed on current demand, needs of the sector, challenges and future trends nationally and locally. These include:

- Increased scrutiny of charities and VCS organisations
- Significant changes to funding arrangements
- The need for strong governance arrangements and business planning
- Greater use of digital platforms
- The long term sustainability of the sector

6.15 The Rotherham Infrastructure Survey is carried out annually and it has gathered evidence on the individual and collective impact of local infrastructure organisations in Rotherham since 2010. The survey aims to provide an overview of how well local VCS groups feel their development, support and representative needs have been met during the past year and how this compares to previous years.

6.16 Data from the 2017 survey is not yet available. However, the 2016 report provides the key findings of an annual survey which was carried out between May and June 2016. A questionnaire was sent to a sample of around 500 local voluntary and community organisations that had received support from VAR or REMA during 2015-16. Online and paper versions of the questionnaire were available. A total of 185 responses were received - an overall response rate of about 37 percent.



6.17 Satisfaction with services provided has increased significantly compared to previous years. 82% said they were either satisfied or very satisfied with the support local infrastructure bodies provide for the VCS in Rotherham.

### **6.18 Consultation workshops**

6.19 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.

6.20 The sessions gave participants the opportunity to meet with the Cabinet Member and the Assistant Chief Executive and to discuss pertinent issues in relation to the needs of their organisations. In total 42 people representing a wide range of groups and organisations attended the sessions. The central area session had the most attendance but all three sessions provided valuable feedback and opportunity for discussion with current and potential users of the infrastructure services that are being reviewed.

6.21 The sessions were open to all community, voluntary and faith groups across the borough and publicity was sent through the infrastructure networks, partner networks, the Council's own contacts and through Elected Members. The groups that attended were included those that are working in:

- local neighbourhoods, across Rotherham, South Yorkshire and Yorkshire or with communities of interest
- diverse areas such as: sports, health, social care, arts and cultural activities, animal welfare, military veterans, cadets, welfare and general advice, refugee support, food and crisis support, support for women, residents action, children, young people and family support, training facilities, domestic violence, green spaces, older people and homelessness.

6.22 They included community groups run by volunteers as well as voluntary groups with paid employees. The sessions had a standard format which explored the background to the Council's improvement journey and the current financial situation, the state of the voluntary and community sector, and the current and future infrastructure priorities.

6.23 Participants were asked to consider the following questions:

- Is the current infrastructure support right for your group/organisation?
- What are the gaps in provision?
- What should the future priority areas of support be?

6.24 An online consultation was also carried out to support the face to face consultation workshops. This had five responses and feedback was in line with the feedback received at the face to face consultation sessions.

## 7. Findings

7.1 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 women and BME communities.
- **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 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 particular 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. Promote more opportunities for self-help. Promote more private sector sponsorship. Development of VCS consortia should be a key priority.

## 8. **Revised Grant Specification**

8.1 The aim of the new grant specification is to ensure that VCS infrastructure services continue to support delivery of the Council's priorities. It will develop capacity and capability of the sector to deliver the shared priorities of the Rotherham Plan and other key strategic drivers.

8.2 The outcome of the process 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 now 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.

- 8.2 In addition to the existing areas of work listed above, new elements of the grant specification will include:
- 8.3 That within the generality of infrastructure services, umbrella support and communications, the grant funding agreement is to prioritise:
- 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 activities such as volunteering (both informal and formal),
  - c) Encourage greater participation 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) and foster community cohesion

## **9. Commissioning arrangements**

- 9.1 In Rotherham, the experience from the 'Single Infrastructure Grant' approach – where a single agreement is in place between the Council and the lead provider linked to a consortium delivery model in which other providers can be involved - shows that effective delivery is more easily coordinated and that there are efficiencies associated with delivery and contract management. It is therefore proposed to retain this approach and any interested organisations that desire to deliver services under the single grant can decide between themselves on the composition of their consortium, their relative strengths and the delivery/ coordination arrangements.
- 9.2 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.

## 10. Finances

10.1 The current grant per annum is £203,526.

10.2 Given the financial budget pressures the Council face over the next three years, consideration has been given to potential budget efficiencies that may be realised as a result of this review. It has been proposed that there will be a £25k reduction in years two and three of the grant for the next three years to the value of the grant over the three years with savings being realised in years' two and three.

10.3 It is proposed grant in each of the three financial years would be that the maximum budget is:

<b>Year 1 (2018/19)</b>	£203,526
<b>Year 2 (2019/20)</b>	£178,526
<b>Year 3 (2020/21)</b>	£178,526
<b>Total budget for the 3 year contract period</b>	<b>£560,578</b>