

## FOR: COMMUNITY, HOUSING AND HEALTH OVERVIEW AND SCRUTINY COMMITTEE

Date: 21<sup>st</sup> January 2013

Agenda item: No. 6

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### FUNDING THE COMMUNITY & VOLUNTARY SECTOR – EVALUATION AND MONITORING

#### 1. Purpose of Report

- 1.1 To advise Members of the results of implementation of the new commissioning process.
- 1.2 To report to Members on the results of the initial performance monitoring.
- 1.3 To examine feedback from participants in the process.

#### 2. Summary of Policy Development

2.1 Due to a changing policy environment, and recognising the need of Local Authorities to be increasingly transparent in the decision making process, it was proposed in 2010 to move to a commissioning process and Cabinet gave approval in May 2012.

2.2 Between 2009 and 2012, the Council invested more than £600,000 through three-year agreements with a number of local voluntary organisations, to improve the quality of life in local communities. This was a substantial amount of money and it made a big difference to the groups that received it.

2.3 Knowing that these agreements were to end in March 2012, the District Council decided to review the way it invested its funding.

2.4 The review was overseen by a Task Group of elected Members Chaired by Councillor Mrs Woodward and was reported to the Community, Housing & Health (Overview & Scrutiny) Committee, as reflected in the papers for the meetings of 14th June 2011 and 27th September 2011. Similarly, ratification by the District Council's Cabinet was requested in reports to the meetings of 19th July 2011 and 4th October 2011.

2.5 Over the summer of 2011, the District Council asked local people what issues should take priority, so it could decide how to invest in the future. The Member Task Group started by looking at statistical evidence about the population such as the growing number of older people and trends in unemployment, benefits take up and crime. As a result, the Task Group identified five potential areas for funding which were then tested through a public consultation process. The consultation results supported the Members' views, and so they recommended the following investment priorities to the Cabinet Member for Community (in no particular order):

- Advice, information and guidance for legal, welfare, debt and benefits issues
- Support for local voluntary and community organisations to help them grow and develop
- Support disadvantaged families and help them get back into work, particularly in areas where there are higher levels of unemployment
- Help for vulnerable people, and their carers, so they can live safely and independently at home

- Initiatives to reduce anti-social behaviour and the fear of crime, particularly in relation to alcohol and other substance misuse by young people

The Cabinet Member reviewed these in the context of the (then) emerging Plan for Lichfield District 2012-16 (accessible at [www.lichfielddc.gov.uk](http://www.lichfielddc.gov.uk)). On viewing the five suggested headings for service priorities, he felt that they encompassed the People agenda aspect of the Strategic Plan but that the Place aspect (centred on culture, arts and tourism) needed to be strengthened. A sixth heading for this area of service provision was therefore also introduced:

- A more prosperous district through tourism, heritage, arts and culture

2.6 The Council then invited applications from local not for profit organisations and voluntary groups, with a view to investing £588,000 in the next round of agreements (2012/15).

2.7 Tendering took place from 6th October - 9th December 2011. District Council staff provided technical advice to potential applicants as required and also delivered a workshop for organisations requiring guidance with the process. Tenders were opened on 12th December 2011; 24 organisations submitted 40 tenders between them (some applied against more than one tender notice). Between three and nine submissions were received against each tender priority. Applications received totalled in excess of £2.4 million; considerably more than the available budget of £588,000 (over three years).

2.8 The tenders were assessed by panels made up of staff from the District Council and partners organisations representing the County Council, the voluntary sector, health, business and the arts.

2.9 The process resulted in three organisations entering into Service Level Agreements with the District Council for the first time (out of a total of nine organisations awarded agreements).

#### Summary of approved awards (per year 2012/13 - 2014/15)

Organisation	Tender Number	Amount per year	Existing/New SLA Partner
Business Enterprise Support	001 Supporting families back to work	£10,000	New partner
MHA Live at Home	001 & 002 supporting families back to work & help for vulnerable people and carers	£18,000	New partner
Cherry Orchard Gardening Service (Friends to Friends)	002 help for vulnerable people and their carers	£13,000	New partner
Pathway	003 & 004 reducing anti-social behaviour & advice information and guidance	£25,000	Existing partner
South East Staffs Citizens Advice Bureau	004 advice information and guidance	£50,000	Existing partner
Lichfield & District CVS and Business Enterprise Support (joint bid)	005 support for local voluntary and community organisations	£57,000	Existing partner
Lichfield Arts	006 tourism, heritage, arts and culture	£9,000	Existing partner
Lichfield Festival	006 tourism, heritage, arts and culture	£9,000	Existing partner
Erasmus Darwin Foundation	006 tourism, heritage, arts and culture	£5,000	Existing partner

### 3. Views of the Task Group – January 2012

3.1 The Member Task Group met on 4th January 2012 to review the tendering process.

3.2 Members were satisfied that the tendering process had been robust, transparent and fair. In particular, noting that the tender scoring criteria had been fully shared with applicants.

3.3 Members were generally pleased with the help offered to organisations, but noted some difficulties reported in accessing information from the Council's website.

3.4 Members approved the basis on which awards were proposed, and checked a random sample of applications and their assessment.

3.5 Members asked that feedback be offered to all applicants. This was duly given, through a combination of face to face meetings and correspondence.

3.6 Members particularly welcomed the more innovative and creative bids, including a new collaboration of two organisations working together.

3.7 Members noted that the Service Levels Agreements 2012/15 would be performance monitored, and undertook to reconvene in 2012 to scrutinise this, and to review any unintended consequences of the new commissioning approach and the awards made under it.

3.8 Members suggested that, for future rounds of investment (2015 onwards) the opportunity be extended to all elected Members to contribute their ideas to the Task Group during the process of identifying investment priorities, to minimise the need for later changes.

### 4. Evaluation – autumn 2012

4.1 The Community Projects Manager<sup>1</sup> met with the Chief Executive, Lichfield and District Community and Voluntary Sector Support to design a framework to test the success or otherwise of the new process and its implementation. They agreed a series of elements of the process that required testing, to be supported by a survey (see **Appendix 2**) of organisations that bid for the tenders in December 2011.

4.2 Seven elements were considered:

- The communication of the changes to the process of obtaining funding
- The process of reaching a decision of the priorities for funding
- The clarity and purpose of the Pre Qualifying Questionnaire
- Support to organisations entering the tendering process
- The tender evaluation process
- The decision to allocate funding to the each of the tenders.
- The communication of the results of the process to bidding organisations

4.3 From a review of the many documents produced during the process (see list at **Appendix 1**) it was possible to show that each of the above areas had been satisfactorily addressed.

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<sup>1</sup> Formerly known as the Regeneration Projects Manager

## **5. Feedback from Organisations Involved in the Process**

5.1 In November 2012, all organisations that had participated in at least the Pre Qualification Questionnaire (or PQQ) stage of the process were invited to take part in a brief on-line survey about the process. Of the 26 eligible organisations, 11 replied, with a further two sending comments after the deadline. The full report is available at **Appendix 2**.

5.2 The results of the survey were largely favourable, with the majority of respondents agreeing that the consultation stage was easy to understand, with a timescale that was about right.

5.3 The PQQ stage was criticized by some organisations for not being clear enough about the level of detail required, although all respondents understood the purpose of that part of the process.

5.3 The majority of respondents (64%) felt the tender notices were clear, with 27% thinking they were too detailed and prescriptive, and one respondent feeling that the tender notices were too vague with not enough detail. 8 respondents (73%) felt that they had enough information to complete the submission form.

5.4 Representatives of three voluntary and community sector organisations that had entered into Service Level Agreements were invited to meet with the Member Task Group on 26<sup>th</sup> November 2012. Due to unforeseen circumstances, only one of these, South East Staffordshire Citizens Advice Bureau (SESCAB) was able to attend. The SESCAB Chief Executive presented a report to Members, thanking the District Council for its support since the foundation of a CAB in the District more than 40 years ago. The report went on to note several of their concerns over the timing of the process, the difficulty in calculating financial projections for their bids, and the time required to complete the tender submissions. SESCAB believe that the process has resulted in a reduction in their "walk in" service opening hours, fewer clients being seen and a loss of a capacity to expand the service.

5.5 Business Enterprise Support (B.E.S) we unable to attend the meeting of the Task and Finish Group on 26<sup>th</sup> November. However, B.E.S sent some brief comments:

"BES has found the tendering process with Lichfield District Council to be a refreshing and positive experience. As "the experts" in our field we felt we have been listened to and allowed to put forward a project which we know will work without being already prescribed by the Council. Communication from the Council has been clear throughout the process and timescales were adhered to by both parties. We had a meeting prior to the issue of an SLA to ensure both parties were happy with the proposal. This refreshing approach was matched by a formal approach when it came to signing SLA's which included taking formal photographs. Our project is allowing a spotlight to be shone on the Lichfield area in terms of enterprise support which has been lacking since the demise of Business Link. There are very few other Local Authorities which have yet to realise this and take action to fill the gap. We feel Lichfield District Council are leading the way and together we have already been able to work with over 60 people to help them to challenge their start up ideas. We have successfully assisted 12 people to actually start their business and as we are focussing on the worklessness this is a really positive outcome. We look forward to continuing our relationship with Lichfield District Council and to continue to build on the positive start we have made"

5.6. Another SLA partner organisation, MHA Live at Home, reported that "the funding has been of enormous benefit to the scheme and those that it serves. A new Assistant Manager has been employed to run the new group in Fazeley. As a direct result of this funding there has been a sharp increase in both membership and volunteers."

## **6. Performance Monitoring**

6.1 Each of the Service Level Agreements contains detailed performance measures that the partner organisation must deliver against in return for the agreed payments. The Community Projects Manager and other officers meet with representatives from each partner organisation twice each year, once in October and once in March, to review performance, discuss highlights and any other issues as necessary.

6.2 The October meeting, half way point through the financial year, is to check at that point whether there are any issues that are affecting performance and to review plans for the second half of the year. Action Plans are requested from each partner in January, and are agreed in advance of the March meeting. The meetings in March aim to review the previous 12 months activities, and ensure plans for the coming 12 months are fit to ensure the performance measures can be delivered.

6.3 The first round of performance monitoring meetings (autumn 2012) took place as scheduled with all the partner organisations. At this time, no major issues have been identified and each of the agreements is progressing at least satisfactorily, with some demonstrating excellent performance. For example, Business Enterprise Support report that they have helped 56 people explore the idea of self employment so far, against a target of 7, and Lichfield & District Voluntary and Community Sector Support have provided 32 different local voluntary organisations with 1 to 1 development support against a target of 25 for the whole year.

## **7. Recommendations of the Task and Finish Group – November 2012**

7.1 Having received information about the performance of the current Service Level Agreements and an evaluation of the processes followed to arrive at these, the Member Task Group would make the following recommendations:

- Future setting of funding priorities to involve elected Members from across the authority and not just Community, Health & Housing Overview & Scrutiny Committee.
- Future priorities for investment to be expressed in more positive terms, if possible,
- focusing on opportunities for positive change rather than remedial action to solve problems.
- Communications about the PQQ to be improved so that voluntary and community organisations are clear as to why they are asked to complete one, and how it will be used.
- Selection criteria that require applicants to show their local connections to be retained.
- Weighting of scoring criteria to be reviewed for next round (2015/2018) to more strongly reflect the specific outcomes for each tender.
- The total amount of funding available for investment to be clearly specified from the outset to Members helping to shape the process.
- Matters of proportionality to be closely monitored, not just for applicants (not asking them to do more work in applying than the ultimate potential award would justify) but also for the District Council (Members' and officers' time) and for partners also (involved in the assessment process).

### **Background Documents:**

**APPENDIX 1 – List of documents used in evaluation**  
**APPENDIX 2 – Survey Results Summary**