Meeting:	Overview and Scrutiny Committee
Date:	8 July 2008
Subject:	Scrutiny review – delivering a strengthened voluntary and community sector – interim report
Responsible Officer:	Myfanwy Barrett, Corporate Director of Finance (Project Sponsor)
	Julia Smith, Chief Executive, Harrow Association of Voluntary Service (Project sponsor)
Portfolio Holder:	Councillor David Ashton, Leader and Portfolio Holder for Strategy, Partnership and Finance
Exempt:	No
Enclosures:	Appendix A: Interim report of the review group
	Appendix B: Review scope

Section 1 – Summary and Recommendations

This report sets out interim findings of the scrutiny review – delivering a strengthened voluntary and community sector. The purpose of the report is to provide the Overview and Scrutiny Committee details of progress made so far and the opportunity to contribute to the second phase of the project.

Recommendations:
The Overview and Scrutiny Committee is requested to:
- Note and comment on the interim findings of the scrutiny review [Appendix A].
- Agree that the findings of the review so far are a fair reflection of the current climate and be used to inform the second phase of the review and any consequent recommendations.
- Agree the request from the review group that the final report be produced by Christmas 2008 rather than autumn 2008 as per the original scope.
- Agree changes to the review group membership [as set out in Appendix B].
- Agree that the scope for the second stage of the review be considered at the Overview and Scrutiny Committee meeting scheduled for 29 July 2008
- Agree that the report be referred to Cabinet for consideration.

Section 2 – Report

Background
In November 2007 the Overview and Scrutiny Committee agreed to undertake a review of the council's relationship with the voluntary and community sector. The scope of the review was agreed in April 2008.

Current situation

The review group has received a wide range of evidence over the last four months and is now in a position to report on its interim findings, with a view to

- Securing consensus on the challenges faced locally;
- Moving on to developing a range of options for responding to these challenges in the second stage of the review.

Why a change is needed

There are number of major drivers. Firstly there are major national policy drivers:

- The need to engage with the sector in order to understand the needs of local communities;
- The desire to strengthen the role of the voluntary and community sector and support their role in delivering services.

Secondly, there are a range of local drivers that highlight the need for a systemic review:

- Feedback from the IDeA[1] peer review undertaken in December 2007 highlighted the need for a local review, advising that "The council needs to take a fresh look at its relationship with the voluntary and community sector in order to enhance trust, engagement and mutual benefit."[2]
- Previous attempts to review the aspects of the council's support to the sector focused on the grant making function and community premises and have failed to take root because, irrespective of the quality and motivation for undertaking that work, the reviews were piecemeal and did not take a strategic approach.
- While attempts have been made to align support to the sector to corporate priorities there is a sense that support has been granted on a historic basis rather than a strategic one. There have also been concerns about the transparency of decision-making.
- Broader partnership – the need for all local agencies to work more closely together to harness resources to meet local need.

Implications of the Recommendation

At this stage the recommendations within this covering report relate to progressing the work of the review. The final recommendations of the review will need to be assessed with regard to the Harrow Compact, resources, costs and risks, staffing/workforce impact, equalities and community safety.

Financial Implications

This report is an interim report of the scrutiny review only and at this stage does not make specific long term recommendations for consideration by Cabinet. There may be financial implications arising from the recommendations when they are developed and these will need to be considered by Cabinet at that stage.

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[1] Improvement and Development Agency for local government
[2] IDeA. 3-7 December 2007. *Harrow Council and Harrow Strategic Partnership Peer Review* presentation slides.

Performance Issues

With regard to specific performance indicators, the final outcomes of the review may contribute to performance indicator NI 7, environment for a thriving third sector, which has been included in the Harrow Strategic Partnership's Local Area Agreement with central Government. More generally there may be improvements to performance in the area of value for money should commissioning processes be strengthened and better co-ordinated.

Risk Management Implications

At this stage risks to the project relate to completing the second stage of the review in a timely manner. With regard to the final report, risks could relate to:

- Securing sufficient stakeholder engagement (both within the scrutiny process and when recommendations are taken forward) to bring credibility to any new arrangements
- Capacity within the council (and partners) to take forward recommendations

Risk included on Directorate risk register? Yes/**No** (Delete as appropriate)
Separate risk register in place? Yes/**No** (Delete as appropriate)

Section 3 - Statutory Officer Clearance

Name: Myfanwy Barrett	X	Chief Financial Officer
Date: 20 June 2008		
Name: Hugh Peart	X	Monitoring Officer
Date: 23 June 2008		

Section 4 – Contact Details and Background Papers

Contact:
Heather Smith, Scrutiny Officer, heather.smith@harrow.gov.uk, 020 8420 9203

Background Papers:
Original scope – agreed by the Overview and Scrutiny Committee, 1 April 2008:
http://www2.harrow.gov.uk/ieListDocuments.aspx?CId=276&MId=4078&J=3

If appropriate, does the report include the following considerations?

1.	Consultation	YES
2.	Corporate Priorities	N/A

<u>**OVERVIEW AND SCRUTINY COMMITTEE**</u>

<u>**DELIVERING A STRENGTHENED VOLUNTARY AND COMMUNITY SECTOR –
INTERIM REPORT**</u>

<u>**JUNE 2008**</u>

INTRODUCTION
This report sets out details of the interim report of the scrutiny review – delivering a
strengthened voluntary and community sector. The purpose of the report is to provide the
Overview and Scrutiny Committee and Cabinet with details of progress made so far and
the opportunity to contribute to the second phase of the project.

What is the voluntary and community sector?
Draft statutory guidance for the *Creating Strong, Safe and Prosperous Communities*
states:

> "The Government defines the third sector as non-governmental organisations that
> are value driven and which principally reinvest their surpluses to further social,
> environmental or cultural objectives. It includes voluntary and community
> organisations, charities, social enterprises, cooperatives and mutuals."[3]

Audit Commission research[4] highlights three groupings within the voluntary and
community sector:

- Small, volunteer-only, community-based groups that are providing specific services on
  a modest scale, primarily under grant funding arrangements. Most of these have
  neither the capacity nor the desire to compete for service contracts. They may focus
  more on their advocacy role and on representing user views on service design.
- Small- to medium-sized voluntary organisations that are already delivering, or want to
  deliver, services; but some find it difficult to compete for contracts because they lack
  the skills and experience to formulate successful bids.
- Large national or regional voluntary organisations that are already delivering services
  under contract.

While these three groupings are an over-simplification and do not fully reflect the Harrow
picture, these descriptions point to the diversity of the sector and, by extension, the wide
range of relationships and types of engagement that can manifest.

The review group has been struck by this complexity and is keen that the outcomes of the
review are reflective of the need for a strategic vision and relationship going forward. This
strategy must be cognisant of the multi-faceted nature of the sector itself and the
numerous relationships the sector will have with partners and the community. The review
group plans to investigate these complexities further at the conference sessions planned
for 2 July.

Methodology
So far seven review group meetings have been held, gathering evidence from a range of
witnesses:

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[3] DCLG. November 2007. *Creating Strong, Safe and Prosperous Communities Statutory Guidance: Draft
for Consultation*
[4] Audit Commission. July 2007. *Hearts and minds: commissioning from the voluntary sector.*

- Cllr David Ashton, Leader
- Myfanwy Barrett, Corporate Director of Finance
- Andrew Bland, Acting Director of Commissioning, Harrow PCT
- Mark Bamlett, Harrow PCT
- Chief Inspector Alisdair Ferguson, Safer Neighbourhoods and Partnerships, Harrow Police
- Kashmir Takhar, Deputy Head of Services - Community Development
- Mike Howes, Service Manager Policy and Partnerships
- Mark Gillett, Divisional Director, Commissioning and Partnership
- Joyce Harvie, Service Manager, Integrated Youth Support
- Audrey Salmon, Children's Fund Programme Manager
- Stuart Dalton, Service Manager, Adults and Children's Complaints
- Paul Barasi, Compact Voice
- David Freeman, Policy Manager (Community Partnerships), Croydon Council

A group of members also visited London Councils to meet with Ian Redding, Head of Grants.

Three case study groups have also been established on the following topics:
- Funding (interviews – Councillors Chris Mote, Anjana Patel, Joyce Nickolay; Javed Khan (Director of Community & Cultural Services), Kashmir Takhar (Deputy Head of Services – Community Development), Malcolm John (Corporate Funding Manager), Deven Pillay (Interim Head of Service, Community Development), Mike Coker (Interim Voluntary & Community Sector Representative on Grants Advisory Panel))
- Harrow Compact (desktop review of documents)
- Evaluation of past reviews (desktop review of documents)

This evidence gathering has been supplemented with briefings on the national policy context and best practice. Further work on best practice and future models will be undertaken in stage two.

A consultation event has been arranged for 2 July and the results of this event will be fed into stage two of the review process. The review group hopes to engage with as wide a range of voluntary sector groups as possible, and to invite the sector to contribute their views on:

- Relationships within the sector and between the council, voluntary sector and other partners – what are the positive aspects and what could be improved?
- The council/police/primary care trust's contributions to the sector including grants, commissioning and other types of support – what are the positive aspects and what could be improved?
- What are the key issues on the horizon and how can partners work with the sector to respond to these?

The rest of this report outlines findings so far and highlights areas that the group hopes to explore further in the second stage of the review.

INITIAL FINDINGS

Overview
The work of the review group so far has uncovered a wide range of activities that are undertaken by the Council, the PCT and the Police in partnership with the voluntary and community sector. Many of these have been positive examples of effective joint working, such as the re-design of counselling services by the PCT which drew heavily on the experience of local voluntary sector groups who brought experience of delivering services innovatively. Another positive example was in children's services, where a service level agreement (SLA) with Watford Football Club delivers football for young people at Cedars and the Beacon Centre at a cost to the council of £15k a year; the football club can access further resources from the Football Foundation (£35k) plus further Government funding from the RESPECT programme. A third example is that of the successful Healthy Living Centre in Wealdstone, a successful local social enterprise, where investment of £5k in a consultant had led to £1m investment in the area, and brought together a wide range of partners as trustees.

The evidence received by the group has highlighted the plethora of interactions taking place between partners across Harrow at many levels, though often uncoordinated overall. It is clear that grant making is only one small part of the relationship and that the emphasis that has been placed on this element in the past is misplaced. The review has provided visibility of the full relationship with the voluntary and community sector and this must be conveyed to all concerned to raise awareness. It is also clear that in future, relationships must operate on a number of levels to encompass the full range of policy making, service design and service delivery, for instance; from the Harrow Strategic Partnership (HSP) at the top to the GP practice on the ground.

The review group has been struck by the scale and complexity of activity both within each organisation and across the HSP and is keen that the outcomes of the review are reflective of the need for a strategic vision and relationship going forward. This strategy must be cognisant of the multi-faceted nature of the sector itself and the numerous relationships the sector has with partners and the community.

Partnership working[5]
There is evidence of a desire among local statutory partners to improve working with the voluntary and community sector locally and recognition of the challenges involved in making this engagement genuine.

These challenges relate to:
- Policy context – national drivers for changing the way the locality works, from the Local Area Agreement to the Comprehensive Area Assessment (CAA), to new commissioning models.
- Diversity within the sector – recognising the diversity within the voluntary sector and engaging appropriately, whether this be at the strategic level (through the Harrow Strategic Partnership) at management level (for example thematic partnership groups), through consultation mechanisms or through work with individual groups or consortia of groups. This list is by no means exhaustive.
- Community engagement – including, but not limited to the role of the sector as an advocate of service users.
- Needs assessment – identifying local needs and changes in that need. This includes the changing diversity of Harrow's community, and local pockets of deprivation.

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[5] Evidence from full review group meetings held on 27 May and 17 June.

- Changing models of service delivery. A practical, and current, example of this is responding to the Healthcare for London (Darzi) proposals. The Primary Care Trust has expressed to the review its desire to engage more closely with the sector in areas such as re-designing services and co-locating services.

However, the review group is of the view that there is further work to be done in making this commitment a reality. The review group perceives that Harrow Strategic Partners appears to focus on what should be delivered as individual organisations; while this is a fair starting point the partnership has to mature and to overcome the tendency to work in organisational silos.[6] The review group notes that the Harrow Strategic Partnership is in the process of reviewing governance arrangements. Partners need to deliver a common vision for Harrow; the Harrow Strategic Partnership, and the council as community leader, will be key players in achieving this.

Harrow Compact

The Harrow Compact is an important outworking of partnership working in the borough; clarification of partnership working in the borough should therefore be reflected in the future development of the Compact.

- The Compact is an important agreement in terms of how the council, and in fact the Harrow Strategic Partnership, works with the voluntary sector. Evidence from Compact Voice has highlighted the importance of a Compact 'way of working'.[7] Achieving this will be reliant on refreshing the current Compact and refreshing the commitment of all HSP partners to its success. Evidence from Croydon Council[8] highlighted that implementing the Compact does not have to be about additional bureaucratic processes but should be around identifying joint goals that are then delivered.[9]
- Evidence that the review has received suggests that there is patchy knowledge across council directorates. There is scope for the Compact to be better communicated and embedded throughout the council and partnership.
- While the voluntary sector has equal representation on the Harrow Strategic Partnership and is able to put forward a strong voice for the sector, concern has been expressed that there have been examples of a lack of respect and understanding of the role of the sector in the way in which concerns raised have been responded to. Even where there has been equal partnership, this equal consideration is not always reflected at other levels. These concerns point to the wider issue of partner accountability and the holding to account of fellow partners for delivering on promised actions. There is an opportunity for scrutiny to act as a check and balance on the work of the partnership in ensuring that partners are held to account in delivering against plans and priorities under the new powers set out in the Local Government and Public Involvement in Health Act 2007.
- There have been few Compact disputes; those that there have been have related to the council and the sector. One, on the Wiseworks consultation was inconclusive. A second, on decision making at the Grants Advisory Panel was largely upheld. Disputes should not, however, be treated negatively and should be seen as evidence that partners are learning and willing to address issues.

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[6] Evidence from full review group meeting held on 17 June – round table with Harrow Council, Harrow PCT, and Harrow Police. Evidence from IDeA peer review, December 2007, http://www.idea.gov.uk/idk/core/page.do?pageId=8302358
[7] Evidence from full review group meeting held on 24 April. Presentation from Paul Barasi, Compact Voice.
[8] Croydon was granted Beacon status for Increasing Voluntary and Community Sector Service Delivery (Round 8), 2007-08
[9] Evidence from full review group meeting held on 24 April. Presentation from David Freeman, LB Croydon.

- However, there needs to be a strengthening of the disputes and mediation process to ensure that this is effective; this should not be so reliant on individual officers.

Further work for the group
- To undertake further development of the current Compact codes and the policy context, as this will influence their future development. The Compact will also need to be revised and strengthened in accordance with any changes arising from the recommendations of this review, particularly in respect of the funding code.
- To consider possible models for strengthening the disputes resolution process.
- To explore the possibility of providing recompense (for example out of pocket expenses) to representatives of voluntary and community sector groups when undertaking sustained 'out of role' engagement in partnership activities.
- To link the development of the Compact to the apparent desire across partnerships for increased constructive working.

Funding
While the grants process has attracted a great deal of attention recently the review group is of the view that this is only one element of the relationship with the sector and in any case only a small element of financial arrangements with the sector.

Commissioning
A wide range of commissioning activity is undertaken across the council.

In examining a number of specific areas of council work it has come to our attention that the council acts as a facilitator of support to the sector in areas such as children's services, where the council is charged with distributing funds from a range of sources such as the Children's Fund and building partnerships with local groups to deliver services innovatively and creatively.

Within adults' services, there are around five hundred contracts and service level agreements including with the private and voluntary sectors. These range in size from placements for individuals to home care contracts totalling 10,000 hours per week. There are a range of challenges ahead relating to the delivery of developments such as the self-directed care model, and the role the sector should play in delivering the transformation agenda.

These changes will need to be informed by a council, and partnership view, of what commissioning should achieve. It is not clear that commissioning activity is coordinated, that there are links to the grants process or that this is driven by a clear set of overall priorities.

The National Procurement Strategy points to a tension between drives for efficiency and economy (large scale contracts) and drives for developing the local markets. These two strands do not sit well together, but a sensible approach would be to ensure that a 'fit for purpose' test is applied to assess which route would best suit in specific circumstances. In addition clarity on such matters ensures that the sector does not waste time on inappropriate applications.

The procurement process has a range of legal constraints. There is a need to ensure that successful tendering is possible for small businesses and voluntary organisations; this implies offering support to the sector in understanding the requirements of such processes through capacity building.

The review group is aware of the need to clarify when to use service level agreements (SLAs) and when to use contracts. There is also a need to be clearer in respect of SLAs on how outcomes should be measured and monitored.

Grants process
From the evidence received, there has been a general consensus from officers and members that the current panel-led process has major difficulties. While there are a number of theoretical advantages of a panel-led process such as transparency and public visibility, a range of concerns have been raised including:

- Lack of clarity about what the process is actually for.
  - A number of witnesses alluded to the fact that the majority of the grants budget is not actually "up for grabs" each year as it has been committed to service level agreements.   This is not in itself wrong but it does lead to (a) a lack of clarity for groups about what is achievable (b) a lack of clarity about what service level agreements (SLAs) are for (c) a lack of clarity about what small grants are for.
  - There is no means of targeting funding – for example grants are not themed in any way or recognise the opportunities for short term funding for other activities such as capacity building, pump priming new projects, or one off emergency funds for groups in difficulty or in transitional phases.
- Lack of clear priorities in awarding grants. There was a general consensus that priorities should relate to corporate priorities or partnership priorities such as the Local Area Agreement. However, there are concerns that these are at too high a level to properly inform grant making or other types of decision-making.
- Concerns about the transparency of the process; there have been recent incidents where criteria have not been consistently applied.
- Concerns about the appropriateness of criteria. For example the 80% rule,[10] as currently worded could have perverse outcomes in that it refers to 80% of the 'members' of the group and does not appear to refer to the number of residents using the project or service being funded, or the intended outcomes of the project or service being funded.
- Lack of effective appeals process. There are limited grounds on which groups can appeal and funds are not held back for this purpose.
- Links with other commissioning processes are weak.
- Management of information in this area is weak; at the moment there is no way for one part of the council to be informed of groups' relationships with other parts of the council; risking duplication for the group (repeated application filling) and for officers who lack intelligence about groups and, where appropriate, their past record.
- Short-termism of the grants process – one year funding can be a limiting factor in the growth and sustainability of groups.
- The timeliness of the process. If decision-making is left late in the financial year this leaves groups limited time to seek alternative sources or to 'wind-down'.
- The application process. It is not proportionate to the size of grant awarded (nor are monitoring arrangements). There is no scoring system to support officers in arriving at consistent reports on applications.
- The need to strengthen monitoring arrangements. Monitoring should be proportionate and should inform future decision-making. The review group is mindful of the challenges associated with developing meaningful monitoring arrangements, not least the need to measure outcomes (impact on end users) rather than inputs or outputs.

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[10] Grants conditions: "The applicant must be a voluntary group based in Harrow, with 80% of its members either living or working in Harrow". Agreed by Cabinet, 14 October 2004

The current system for awarding grants is remaining in place for the 2009-10 grants round. The findings above will need further consideration as part of this review but the review group is keen that, as far as possible, the 2009-10 round is as fair as it can be under current arrangements and are of the view that member development for the members of the Grants Advisory Panel could be considered in the short term. This could include:

- The current principles of the Harrow Compact. While the current funding code will eventually need re-writing based on any changes to the process, members should be made aware of the Compact 'way of working'
- The importance of the criteria – while there is also consensus that priorities are not clearly enough defined, there are clear criteria about which groups should access grants and these must be adhered to until any alternatives are agreed.
- Developing a fuller understanding of the pressures and challenges faced by the sector – for example the demands of fundraising and the need for successful groups to diversify their funding streams. It is not negative for a group to pull in funds from elsewhere and this has been identified to have a valuable contribution multiplier effect.

In developing a new voluntary sector fund, the Primary Care Trust will face similar challenges to the council in building an effective and transparent grant-making process. There is potential for joint working in this area and even a joining up of priorities through the Joint Strategic Needs Assessment. Voluntary sector engagement in the development of such processes will be vital to securing buy-in.

London Councils is nearing completion of the change to a commissioning model for its grants. There are a number of lessons learned from the process that Harrow may be able to apply. These warrant further consideration by the review group:

- The importance of engaging the sector in changes to the process
- The benefit of establishing forums for discussing local need and this informing service specifications
- Benefits from electronic applications and monitoring and clear scoring system for applications
- Including a stream for sector specific 'second tier' support to capacity build organisations that are commissioned to deliver services[11]

While the review intends to develop recommendations and options for the future in its final report, the review group is of the view that there are two immediate and urgent recommendations for Cabinet at this stage. **The review group recommends that Cabinet:**

- **Agree that the 2009-10 grants round should be conducted in full compliance with the existing criteria and process and in a transparent way**
- **Agree that Member development for the Grants Advisory Panel be undertaken to increase awareness of the principles of the Harrow Compact and to support Members in developing a fuller understanding of the pressures and challenges faced by the sector.**

Further work for the group
- To consider how funding models need to be developed to facilitate the engagement of the sector, recognising their different roles, responsibilities, competencies and capacity and recognising that one size may not fit all.

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[11] Meeting held with London Councils, 6 June 2008

- To explore the pros and cons of an administrative process for grants as opposed to a member-level panel. The review group is currently open to all options. For example if members were not involved in assessing applications this could allow members greater strategic focus on the setting of priorities and ensuring transparency though involvement in an appeals process before the final decisions on funding are agreed by Cabinet. Possible models could include a community trust.
- To consider the potential for working with partners in administering grants processes.
- To undertake further analysis of best practice from other authorities, for example Birmingham City and London Councils, with a view to the final report of this group offering a range of options for consideration by Cabinet and relevant partners.

Assets and Premises
In examining the impact of past reviews, the review group notes that:
- There have been difficulties in implementing proposed changes to the community lettings process and that there have been associated challenges for groups in that schools can set their own rates for hire of premises.
- The community premises review proposed, amongst other things, that consideration be given to establishing a community trust. This option has not been pursued and any strategy for the future of premises for the sector in the borough should take this into consideration alongside other developments such as the potential for co-location of services. The review group is of the view that the council can adopt an important function with regard to the development of a trust in the role of community leader.

Looking to the future, the new Comprehensive Area Assessment will require review of the asset base across the borough (not just within the council) and this will provide an invaluable opportunity for a strategic consideration of the use of assets across the borough. This exercise must also be mindful of the fact that the assets of partners such as the Primary Care Trust are not always under direct control; for example GPs often own their own premises and other health assets are NHS assets controlled nationally.

External funding[12]
- As per the grants process, there is a need for the council to have clear priorities in terms of what it is trying to achieve. There is some limited central resource and a lack of consistency across directorates.
- Harrow does not have a long history of bidding for external funds and needs to be more aware of its own needs – given Harrow's deprivation rating there is a need to recognise the particular niche areas of need that appear in particular areas of the communities in the borough (supported by research such as the vitality profiles) in order to support this activity and raise Harrow's profile.
- This point is also related to building capacity within the sector – many pots cannot be directly accessed by the council. The review group is of the view that consideration could be given to basing resources within the voluntary sector to support fundraising by community groups, thereby developing skills within groups and improving the quality of local bids. Such an approach could require a change in mindset from Harrow the council to Harrow the place – with Harrow Council helping to facilitate wider benefits to the local community.

Further work for the group:
- To consider external funding support in the context of overall models.

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[12] Evidence from funding case study interviews held on 4 and 10 June.

EARLY CONCLUSIONS

- There is significant pressure on the council and partners to deliver services that are responsive to local needs and to build capacity to assess what those needs are.
- Future models for partnering with the voluntary and community sector must recognise and respond to these drivers.
- The voluntary and community sector itself is diverse and has a wide range of differing relationships with the council and other local partners. Any future models must be cognisant of this diversity and the contribution of the sector to the vitality of Harrow.

OVERVIEW AND SCRUTINY COMMITTEE

REVIEW OF DELIVERING A STRENGTHENED VOLUNTARY AND COMMUNITY SECTOR – Scope of the Review

1	**SUBJECT**	Delivering a strengthened voluntary and community sector
2	**COMMITTEE**	Overview and Scrutiny Committee
3	**REVIEW GROUP**	Cllr Sheinwald (Chairman) Cllr Asante Cllr Champagnie Cllr Davine Cllr Gate Cllr Idaikkadar Cllr Kara Cllr Kinnear Cllr Solanki Cllr Teli Cllr Versallion Ramji Chauhan (parent governor representative) Mohamed Ali, Iwanaaji Somali Disabled Association Julie Browne, Kids Can Achieve Mike Coker, Director, Community Link Up Julia Smith, Chief Executive, HAVS John Woolf, Woodcraft Folk
4	**AIMS/ OBJECTIVES/ OUTCOMES**	To undertake a strategic review of the role the voluntary and community sector plays, with the council and other partners, in improving the quality of life of Harrow residents: • To define the council and partners' relationships with the voluntary and community sector, how they stand as is and how the they could be shaped going forward • To evaluate how effectively the council, partners and the voluntary and community sector work together in achieving key strategic aims for Harrow as set out in the Community Plan and Local Area Agreement • To evaluate the current Harrow Compact in the light of national policy direction and principles, as well as local circumstances. • To evaluate the council's support to the sector and make recommendations for improvement • To identify blockages to improving and strengthening the relationship with the sector and to make recommendations for improvement
5	**MEASURES OF SUCCESS OF REVIEW**	• Clear and transparent relationship between the council and the voluntary sector, including funding relationships • The council and the voluntary sector have clear understanding about their respective roles in delivering the strategic aims of the borough • Clarification of the long-term strategic priorities of the

		partnership in respect of its relationship with the sector • Clear, two-way, expectations for the values and behaviours of the partners and voluntary and community sector and how they will work together.
6	**SCOPE**	• To review how effectively the council, its partners and the voluntary and community sector work together in delivering the strategic aims of the borough (including the Community Plan and Local Area Agreement) • To review the effectiveness of the Harrow Compact in defining and supporting the relationship with the voluntary and community sector in Harrow (including the Compact codes) • To identify how the council works with the voluntary and community sector in understanding and identifying local needs and how this informs the setting of priorities • To consider how the council should make decisions about funding and how such decisions are governed and monitored in order to ensure accountability and transparency • To explore how the council should use a combination of commissioning, contracting and grants to enable a voluntary and community sector which builds capacity and delivers the strategic aims of the borough • To explore how the council supports the voluntary sector in building capacity and accessing support from other sources
7	**SERVICE PRIORITIES (Corporate/Dept)**	Community Plan and Local Area Agreement
8	**REVIEW SPONSORS**	Myfanwy Barrett, Corporate Director of Finance (on behalf of the Corporate Strategy Board) Julia Smith, Chief Executive, Harrow Association of Voluntary Service
9	**ACCOUNTABLE MANAGER**	Lynne McAdam, Service Manager Scrutiny
10	**SUPPORT OFFICER**	Heather Smith, Scrutiny Officer
11	**ADMINISTRATIVE SUPPORT**	Scrutiny Officer
12	**EXTERNAL INPUT**	• Members of the Harrow Strategic Partnership as appropriate • Grant making partners – Harrow PCT, Harrow Police • A range of voluntary and community sector groups through consultation activities
13	**METHODOLOGY**	**Visioning** • To examine what constitutes an effective vision for delivering a strengthened voluntary and community sector and enabling the delivery of the strategic aims of the borough • To understand the strengths and weaknesses of existing relationships and how they could be improved **Evaluation of Harrow Compact** To evaluate the effectiveness of the Compact and associated

codes:
- Evaluation of existing Compact overall
- Compare with practice from other authorities
- Identify areas for improvement
  - Are the actions identified the right ones?
  - Are there any gaps?
  - Are there any local arrangements or circumstances that should be reflected?
- Examine practical considerations, such as how disagreements are managed and addressed
- To evaluate the codes – funding and procurement code, black and minority ethnic organisations code, disability code, volunteer code, consultation code

Funding and procurement
To evaluate the effectiveness of current financial support and decision-making processes:
- To review the code
- Gather evidence from 'grant givers' – roundtable with Grant Advisory Panel Chair, officers involved in developing service level agreements, other partners (particularly PCT) who are engaged in providing support to the sector
- To explore the effectiveness of alternative models through best practice from other authorities (possibly involving a visit)
- Evidence from focus groups
- To consider the grant making process including application process, decision-making criteria (for example the 80% rule) and transparency, and monitoring (including benefit to the community)

Overall approach
- To consult stakeholders - focus groups to be undertaken with:
  - SLA funded groups
  - Grant funded groups
  - Strategic/umbrella groups
  - Unfunded groups
- To compare Harrow's practice with other areas and with national best practice (to include London Councils, Barnet, Croydon and/or others as appropriate)
- To undertake a mapping exercise to establish council interactions to support to the sector, including funding relationships and the use of community facilities
- To challenge local assumptions
- To seek out innovation and efficiencies

14	**EQUALITY IMPLICATIONS**	Equality considerations will be paramount to this review. Scrutiny should consider how equality implications have been taken into consideration in current policy and practice and consider the possible implications of any changes it recommends. In carrying out the project the review group will need to consider its own practice and how it can facilitate the enabling of the voice

		and concerns of the voluntary and community sector to be heard.
15	**ASSUMPTIONS/ CONSTRAINTS**	The scope of the review will be restricted to the council's relationship with the voluntary and community sector rather than being extended to the third sector, which encompasses a far wider range of bodies.
16	**SECTION 17 IMPLICATIONS**	The review will need to have regard to the possible community safety implications of any recommended changes to policy.
17	**TIMESCALE**	To inform the grants round for 2009/10 the review will need to have completed its activities by summer 2008.
18	**RESOURCE COMMITMENTS**	• 1 x Scrutiny Officer • Input from Community Development and Policy and Partnerships teams.
19	**REPORT AUTHOR**	Scrutiny Officer directed by review group.
20	**REPORTING ARRANGEMENTS**	Outline of formal reporting process: To Service Director [✓] throughout the process and when developing recommendations To Portfolio Holder [✓] early in the process and when developing recommendations **Stage 1** To O&S [✓] by 8 July 2008 (interim report) To CSB [✓] regular reports on progress To Cabinet [✓] 17 July 2008 **Stage 2** To CSB [✓] TBC To O&S [✓] 9 December 2008 To Cabinet [✓] 18 December 2008
21	**FOLLOW UP ARRANGEMENTS (proposals)**	Initial monitoring by O&S (after 6 months) then monitoring by the Performance and Finances scrutiny sub committee on an exception basis.

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