

Meeting:	Overview and Scrutiny Committee
Date:	21 <sup>st</sup> April 2009
Subject:	Delivering a strengthened voluntary and community sector
Key Decision:	No
Responsible Officer:	Javed Khan Director of Community and Cultural Services
Portfolio Holder:	Cllr Chris Mote Portfolio Holder for Community and Cultural Services
Exempt:	No
Enclosures:	None

## Section 1 – Summary and Recommendations

This report sets out Cabinet's detailed response to the report and recommendations of the scrutiny review entitled "Delivering a Strengthened Voluntary and Community Sector for Harrow".

### **Recommendations:**

To note Cabinet's responses to the 22 recommendations.

### **Reason:**

Cabinet's response to the scrutiny report and recommendations.

## **Section 2 – Report**

### **2.1 Introductory paragraph**

- 2.1.1 The Overview and Scrutiny committee undertook a review entitled “Delivering a Strengthened Voluntary and Community Sector for Harrow”, as part of its 2008/09 work programme.
- 2.1.2 The December 2008 Cabinet meeting noted and welcomed the report and requested a further report setting out a more detailed response to the scrutiny review and its recommendations.

### **2.2 Options considered**

- 2.2.1 The recommendations from the scrutiny review have been considered in detail through a cross directorate officers’ working group. Officers from across the Council have been involved in providing the detailed responses against each recommendation as listed later in this report.
- 2.2.2 In addition, representatives from the voluntary sector have been kept informed and involved in this work through the work of the National Indicator 7 working group, the Voluntary Sector Forum and through informal contact.
- 2.2.3 The PCT has been involved through their involvement in the NI 7 working group and through informal discussion with the Director of Commissioning.
- 2.2.4 A presentation was also made at the Voluntary Sector Forum, which broadly welcomed the approach being taken by the Council. The Forum also agreed to consider its representation in the implementation phase and has since nominated some individuals to be involved in this stage. The Forum was particularly supportive of the need to prioritise work on the Third Sector Strategy and the Council’s commitment to fully involving the sector in its development.
- 2.2.5 The Voluntary Sector Adviser to the Grants Advisory Panel has also been kept informed and will continue to have a role in future developments.
- 2.2.6 The Portfolio Holder for Community and Cultural Services also met with the Chair of the Overview and Scrutiny Panel, the Adviser to the Grants Advisory Panel and the Chief Executive of HAVS to discuss the scrutiny review recommendations and the possible ways forward.
- 2.2.7 Of all the recommendations proposed, the Third Sector Strategy is a vital element that will help set out the vision for the relationships between the public and voluntary and community sectors in Harrow and provide the context for a new approach to grant making and commissioning.
- 2.2.8 It has been agreed that the strategy is co-sponsored by the Director of Community and Cultural Services and the Chief Executive of HAVS,

and developed as a borough wide strategy. The development of the strategy will by necessity involve consultation across the Council departments, partner agencies and across the voluntary and community sector.

2.2.9 The development of the strategy will be supported through a multi-agency working group with broad representation from the across the council, the voluntary sector (nominated through the voluntary sector forum) and the PCT.

2.2.9 It is envisaged that the development of the strategy will encompass the principles of commissioning as set out in Government guidance, as below:

The Government believes that all commissioners of services should:

- Develop an understanding of the needs of users and communities, by ensuring that, alongside other consultees, they engage with third sector advocates to access their specialist knowledge
- Consult potential provider organisations, including those from the third sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service.
- Put outcomes for users at the heart of the strategic planning process.
- Map the fullest practicable range of providers with a view to understanding the contribution they could make to delivering those outcomes.
- Consider investing in the capacity of the provider base, particularly those working with hard-to-reach groups.
- Ensure contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including considering sub-contracting and consortia building where appropriate.
- Seek to ensure long-term contracts and risk-sharing wherever appropriate as ways of achieving efficiency and effectiveness.
- Seek feedback from service users, communities and providers in order to review the effectiveness of the commissioning process in meeting local needs.

Cabinet Office, Partnership in Public Services (2006)

## 2.3 Response to recommendations

2.3.1 The scrutiny review made 22 specific recommendations, and of these recommendations Cabinet has agreed the following:

- 17 are agreed for implementation now;
- 4 will be further developed within the Third sector Strategy;
- 1 is not agreed

2.3.2 The 4 recommendations where the response **will be developed further** within the Third Sector Strategy are:

### **Recommendation 12**

*To move towards three-year funding commitments through grants so as to encourage stability and more scope for planning ahead within the sector.*

### **Recommendation 13**

*To consider a longer-term approach (5-10 year funding) for SLAs awarded to VCS infrastructure organisations.*

### **Recommendation 21**

*To establish a Community Trust for the Council's grants administration processes and carry out further work on how this can best be achieved - the feasibility of a community trust model for grant-giving in Harrow should be fully explored, scoped and costed, using the scrutiny proposal as a basis. To include developing a better understanding of realistic timescales with regard to implementation and the ability to serve future needs of the borough, for example with regard to the Comprehensive Area Assessment.*

### **Recommendation 22**

*To conduct a feasibility of the Strategic Relationships Model for commissioning, using the scrutiny proposal as a basis. To include developing a better understanding of realistic timescales with regard to implementation, cultural/organisational shifts required, costs and the ability to serve future needs of the borough.*

2.3.3 The one recommendation **not agreed** is:

### **Recommendation 7**

*To consider outsourcing the management of the 'Harrow Heroes' awards ceremony to the VCS so that it is a peer-led awards scheme, recognising the contribution of groups as well as individuals.*

2.3.4 **Detailed response to each recommendation**

2.3.5 **Recommendation 1**

***To have a Council-financed funding support officer within the voluntary and community sector to support groups in a variety of ways e.g. grant applications, adapting to any changes in the grants process, developing funding strategies, meeting monitoring requirements, procurement processes, community assets. To work closely with the Council's external funding officer.***

Agreed.

The Council and HAVS will each fund 50% of the salary costs for this post, to be based at HAVS.

2.3.6 **Recommendation 2**

***To have a relationship manager at the Council to act as the main channel of liaison with groups in the voluntary and community sector.***

Agreed.

However, whilst we recognise the need to ensure a streamlined approach to co-coordinating VCS contact with the Council, we also know that the Council interacts with the VCS in all sorts of ways and at all levels.

Whilst there is some merit in having a Relationship Manager to act as a main channel of liaison, the Council is also committed to ensuring a Council-wide understanding of and respect for the sector that is embedded in working practices across the organisation and its partners. As a result, the Council will further reflect on the best way forward to address these issues.

#### 2.3.7 Recommendation 3

***To develop a third sector strategy for Harrow that seeks to help define the local relationship with the VCS and invests in VCS development in line with partnership priorities. The third sector strategy should also seek to address the recognised gaps in the models developed and proposed by the scrutiny review - Community Trust model (for example gaps in commissioning and premises) and further work on the model of commissioning in the Strategic Relationships model.***

Agreed

The Third Sector Strategy should address the role and contribution of the third sector in the short, medium and long-term, in relation specifically to the delivery of public services. It should also address the support that the sector will need to get there, in terms of capacity, governance, monitoring and the relationship(s) with the Council and other public bodies. This will also involve the development of a commissioning strategy and a view in terms of economic development of the part that the sector can play in the development of Harrow's economy through, for example, work experience, apprenticeships and employment.

The strategy, by its very nature, will need to be borough-wide, and widely owned. Its development will be co-sponsored by the Chief Executive of HAVS and the Director of Community and Cultural Services.

A representative group selected by the VCS Forum will work with the Council/partner agencies to develop the strategy, with an aim to bring an update report to Cabinet in October 2009.

#### 2.3.8 Recommendation 4

***To ask VCS representatives on the HSP to feed back more systematically to sector colleagues through regular emails or as updates in existing newsletters.***

Agreed.

Policy and Partnerships to discuss with HSP Reps the support they need to ensure that this can be achieved.

### 2.3.9 Recommendation 5

***To recognise the real opportunity to develop volunteering in Harrow where supply of volunteers outstrips demand – investing more resource to build the capacity of Harrow Volunteer’s Centre to provide an infrastructure and support to small voluntary groups in recruiting and training volunteers and coordinating skills for day-to-day management of groups.***

The current Service Level Agreement (SLA) with HAVS expires in March 2009. The Community Development team will work with HAVS to review how next year’s grant funding can be used more effectively to build the capacity of the Harrow Volunteer’s Centre, and so improve support small groups in recruiting and training volunteers.

### 2.3.10 Recommendation 6

***To advertise the Volunteers Centre on the Harrow Council website.***

Agreed

### 2.3.11 Recommendation 7

***To consider outsourcing the management of the ‘Harrow Heroes’ awards ceremony to the VCS so that it is a peer-led awards scheme, recognising the contribution of groups as well as individuals.***

The Harrow’s Heroes awards ceremony was developed by the Council to recognise the valuable contribution of volunteers in Harrow. The event was delivered for the first time last year with great success attracting over 100 nominations as well as sponsorship and active involvement from the Harrow Observer newspaper. An excellent delivery model that includes active involvement of the VCS sector and partners has been developed and changing this at this relatively early stage could damage its success. In addition, the event is delivered with the organisational costs being subsumed within existing Council resources. It is unlikely that a voluntary organisation would be able to deliver this event without additional resources.

It is therefore recommended that this event continue to be run by the Council in its current format, with extensive involvement of VCS partners as before.

### 2.3.12 Recommendation 8

***To develop robust governance arrangements for the Compact, to include refreshing the document every two years, promoting the Compact and its way of working, formalising conflict resolution (providing a framework for stage 1 complaints). To be the responsibility of a new Compact Board of representatives to feed up to the HSP, and therefore not reliant on individuals.***

Agreed

Compact development including mediation and, where necessary, mutual external investigation and reporting is underway.

### 2.3.13 Recommendation 9

***To produce a reader-friendly summary of the new compact document and distribute this to Councillors, officers and colleagues in the voluntary and community sector.***

Agreed

A summary of the Compact including the four refreshed Codes to be launched by the end of March 2009. Document to be updated and re-launched when the funding code has been refreshed.

### 2.3.14 Recommendation 10

***To roll out training on the Compact and what it means to partnership working. To be included in members' training, management/officer training and training within the VCS and other partner organisations within the HSP, to raise awareness and understanding.***

***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.***

Agreed

Training for the Grants Advisory Panel was delivered in February/March 2009.

This training is to be offered to other members and senior officers throughout 2009.

### 2.3.15 Recommendation 11

***To rationalise the grant-giving process – to clearly define processes, appeals mechanisms and adherence to these in order to improve consistency and transparency.***

Agreed

The Council is committed to reviewing the current process in conjunction with the Voluntary Sector. The Community Development team will aim to make recommendations on improving the current process to the Grants Advisory Panel in June 2009. This will include reviewing the guidance available to applicants including how information will be used in the assessment process, the consideration of setting an upper limit for grant applications, clarity on the criteria for agreeing Service Level Agreements and three-year funding, a review of the appeals criteria and process for appeals.

The Community Development team has implemented a number of changes over the last 12 months to the current process. Further guidance will be sought through Legal Services to consider how any remaining adherence issues can be addressed.

### 2.3.16 Recommendation 12

***To move towards three-year funding commitments through grants so as to encourage stability and more scope for planning ahead within the sector.***

The decision to move towards three-year funding commitments for all VCS organisations requires consideration in the context of an overall Third Sector Strategy (Recommendation 3). The strategy should help determine the rationale for making three-year funding commitments that not only encourages stability and future planning of the VCS but also supports the Council's medium term priorities and longer-term objectives.

#### 2.3.17 Recommendation 13

***To consider a longer-term approach (5-10 year funding) for SLAs awarded to VCS infrastructure organisations.***

As with Recommendation 12 this would need to be considered in the context of an overall Third Sector Strategy rather than in isolation of other issues. In addition there is a need to establish an agreed definition for an 'infrastructure organisation' so that we can determine which organisations fulfil this role and be clear about what these organisations deliver and their role within a third sector strategy.

#### 2.3.18 Recommendation 14

***To agree that the 2009-10 grants round should be conducted in full compliance with the existing criteria and process and in a transparent way.***

Agreed.

Members of the Grants Advisory Panel will be reminded of the need for full compliance within the existing criteria.

#### 2.3.19 Recommendation 15

***For the Grants Advisory Panel to engage with the VCS to consider the criteria for the 2010/11 grants round and take account of the concerns raised through this scrutiny review about the current system. To bring these proposals to a scrutiny challenge panel in preparation for the 2010/11 grants application process.***

Agreed

The Grants Advisory Panel through the Portfolio Holder for Community and Cultural Services is committed to considering the criteria for the 2010-11 grants applications, taking into account the concerns raised through the scrutiny review. The criteria will be reviewed with the engagement of the VCS and proposals will be presented to a scrutiny challenge panel in May 2009.

#### 2.3.20 Recommendation 16

***To ensure that all procurement exercises and available premises are advertised in a regular email/newsletter and that the VCS are on that distribution list. To also raise awareness with the VCS that the Council's Web pages for procurement include much help and advice on accessing procurement routes.***

And



### 2.3.21 Recommendation 17

***To optimise the VCS access to procurement exercises through thorough and fair assessment of the procurement requirements necessary for each tendering exercise.***

The Council's Procurement team is introducing changes to its procurement process to enable more Voluntary & Community Sector procurement for contracts.

Some of the changes are: -

- a) Encourage Managers to purchase low value, low risk goods and service, where appropriate, directly from the local Voluntary & Community Sector
- b) Revise the Contract Procedure Rules so that at least one quotation should be from a local and /or Voluntary & Community Sector.
- c) Raising Awareness Improving communication - the Council to advertise all low to medium tenders on the Harrow website, Local media, and Supply2gov as well as publishing forward procurement plan on the website.
- d) Voluntary & Community Sector electronic newsletter to have a link to the Harrow procurement web site to offer open access to all tender notices.
- e) Economic Development and Procurement will continue to work with the voluntary and community sector to enable them to become suppliers, by: - offering training and capacity building opportunities, via the Championing Harrow regular workshops e.g. sessions on PQQ submissions - offering Voluntary & community sector, information on London wide expertise and resources e.g. supply London, [www.supplylondon.com](http://www.supplylondon.com) ( <http://www.supplylondon.com/> ) Business Link, [www.businesslink.gov.uk](http://www.businesslink.gov.uk) ( <http://www.businesslink.gov.uk/> ) and Supply2gov.

Also, HAVS has been commissioned to develop a comprehensive database of local VCS groups, and this should be ready by May of this year.

### 2.3.22 Recommendation 18

***To ask the HSP partners to compile a register of their community premises/rooms and develop a protocol for their use by the VCS. To encourage a fairer and more transparent system of community lettings.***

Agreed.

Policy and Partnership will ask all HSP Partners for details of accommodation that could be used by voluntary and community sector organisations. The Community Development team has already undertaken some work to streamline the community lettings process including amending the criteria so that it is in line with the current grant criteria. There is scope to further improve the process to encourage a fairer and more transparent system. Recommendations will be presented to the Grants Advisory Panel meeting in September 2009.

### 2.3.23 Recommendation 19

***To ask the relevant Council directorate(s) (concerned with lettings especially of schools) to assess the current issues around***

***community lettings (of schools and Council buildings such as the Teachers' Centre and community centres) and offer possible solutions to these. To articulate this assessment and present possible solutions to a scrutiny committee and concurrently feed into scrutiny's review of extended schools.***

Community Development and Children's Services will undertake an analysis of the issues relating to community lettings and explore possible solutions to these. This will include consultation with Headteachers and voluntary sector organisations. A report with recommendations on the way forward will be presented to a scrutiny committee and other stakeholders in June 2009.

#### **2.3.24 Recommendation 20**

***To task the HSP with creating an environment where creative people can thrive and make best use of community assets. To seek people with a passion for developing social entrepreneurship and social capital.***

The HSP will be asked, through the Policy and Partnerships team, to embrace this challenge as part of its forward planning.

#### **2.3.25 Recommendation 21**

***To establish a Community Trust for the Council's grants administration processes and carry out further work on how this can best be achieved - the feasibility of a community trust model for grant-giving in Harrow should be fully explored, scoped and costed, using the scrutiny proposal as a basis. To include developing a better understanding of realistic timescales with regard to implementation and the ability to serve future needs of the borough, for example with regard to the Comprehensive Area Assessment.***

The community trust model is noted as a possible way forward for focusing the Council's support to the third sector. This will require considerable further work – including mapping out exactly how it will work, what it will do and how it will be resourced, drawing up a detailed specification and carrying out a procurement exercise to identify a provider - to ensure it will be effective when it is established. An initial feasibility study will be an integral part of the Third Sector Strategy development (Recommendation 3) work and to the same timetable of reporting to Cabinet not later than October 2009

#### **2.3.26 Recommendation 22**

***To conduct a feasibility of the Strategic Relationships Model for commissioning, using the scrutiny proposal as a basis. To include developing a better understanding of realistic timescales with regard to implementation, cultural/organisational shifts required, costs and the ability to serve future needs of the borough.***

The Third Sector Strategy (Recommendation 3) will explore the commissioning framework and will present the opportunity to examine this and other models for progressing commissioning.

## **2.4 Financial Implications**

Some of the recommendations, most notably the proposal to appoint a funding officer, have costs associated with them. The Council has agreed as part of its medium term funding strategy to part fund (0.5) a voluntary sector fund raising officer from 2009/10.

The costs associated with setting up a Community Trust model will be examined through a feasibility study and will then be reported to Cabinet along with the Third Sector Strategy.

## **2.5 Equalities Issues**

Once the Third Sector Strategy has been developed, an equalities impact assessment will be carried and presented alongside it to Cabinet.

## **2.6 Performance Issues**

The detailed responses to scrutiny recommendations outlined in this report and in particular the proposed Third Sector strategy have the potential to impact on a number of LAA national indicators including:

National Indicator (NI) number 7, which relates to creating an environment in which the voluntary and community sector can thrive. Results from the first national Third Sector Survey indicate that Harrow's performance against this indicator is 10.4%. The NI 7 Working Group has agreed a target for this indicator of 14.8%.

The proposals outlined have the potential to contribute to NI 1 '% of people who believe people from different backgrounds get on well together in their local area'. Current performance against this indicator is 48% and target performance is 61%.

The proposals outlined in this report also have the potential to contribute to NI 6 'Participation in regular volunteering'. The target increase in numbers volunteering is 300 'socially excluded' volunteers and 1,200 'other volunteers'. The current position against this indicator shows that we have achieved the target on 'socially excluded' volunteers and that there is a slight under-achievement against 'other volunteers'.

### Section 3 - Statutory Officer Clearance

Name: Sheela Thakrar

on behalf of the\*  
Chief Financial Officer

Date: 2<sup>nd</sup> March 2009

Name: Helen White

on behalf of the\*  
Monitoring Officer

Date: 3<sup>rd</sup> March 2009

### Section 4 - Contact Details and Background Papers

Contact: Kashmir Takhar, Interim Head of Service, Community Development