

PART 1 - PUBLIC

Decision Maker: **Adult and Community Policy Development and Scrutiny Committee Executive**

Date: **13th December 2011**
14th December 2011

Decision Type: Non-Urgent Executive Key

TITLE: SUPPORT FOR THE VOLUNTARY SECTOR - COMMUNITY LINKS BROMLEY

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Chief Officer: Lorna Blackwood, Assistant Director, Commissioning and Partnerships, ACS

Ward: N/A

1. Reason for report

The report sets out the current arrangements with Community Links Bromley (CLB) for providing support to the local voluntary, community and social enterprise sector (VCSEs) and proposes that a new contract be entered into from 1st April 2012 for a period of three years with an option to extend for a further two years. It also proposes additional funding for one year to provide enhanced support to the voluntary sector during a period of significant change and financial pressure in social care and support services in both adults and children's sectors. The additional funding would enable Community Links Bromley (as the lead body providing infrastructure support to the to voluntary and community sector) to build capacity in the sector to support the Council's objectives for adults and children.

The financial implications are set out in the report on Part 2 of this agenda.

2. **RECOMMENDATION(S)**

The Executive is requested to:

- (a) **Waive the requirement for competitive tendering in accordance with Contract Procedure Rule 13.1 and approve the award of a contract to Community Links Bromley for a period of three years from 1st April 2012 with the option to extend for a further two years (with authority for the option to extend to be delegated to the Director of Adult and Community Services in consultation with the Adult and Community Portfolio Holder), and**
- (b) **to approve additional funding during the first year (2012/13) funded from uncommitted LPSA reward grant.**

Corporate Policy

Existing policy: Building a Better Bromley priority - Supporting Independence

Financial

1. Estimated cost See report on Part 2 of this agenda
 2. Recurring cost
 3. Budget head ACS Commissioning and Partnerships 8139003425;
 4. Total budget for this head £155, 000 in ACS budgets
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Staff

1. Number of staff (current and additional) – N/A
 2. If from existing staff resources, number of staff hours – N/A
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Legal

1. No statutory requirement or Government guidance
 2. Call-in is applicable
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Customer Impact

Estimated number of users/beneficiaries (current and projected) - Community Links Bromley (CLB) currently supports approximately 250 member organisations

3. COMMENTARY

Background

- 3.1 Community Links Bromley (CLB) is the lead organisation in the borough providing infrastructure support to the local voluntary, community and social enterprise sector. CLB is an independent registered charity and a member of the South London Council for Voluntary Services partnership. CLB offers a range of services to local not for profit organisations (also referred to as “third sector” or VCSEs), including information, advice and guidance on operational issues such as funding, financial management, ICT and personnel management. CLB also represents the sector and supports member organisations to participate in multi agency thematic and delivery partnerships.
- 3.2 Community Links Bromley represents around 250 voluntary organisations from across the borough, and is in contact with more than 940 other organisations ranging from local branches of major national charities, to very small community based organisations, with a wide variety of purposes and interests.
- 3.3 The Council’s contract with Community Links Bromley (which is held by Adult and Community Services on behalf of the Council) expires on 31st March 2012. The current value of the contract is £155k per annum, funded from adult social care budgets and contributing to core staffing, premises and overhead costs. It also contributes to the provision and management of a volunteer centre, to recruit and match individuals and organisations, to provide supported volunteering to specific groups and to provide advice to organisations on best practice in using volunteers. CLB also receive funding from other organisations and are commissioned to carry out specific projects by other statutory agencies.
- 3.4 The core contract covers the following services:

Organisational development

- Information – dissemination of information via newsletters, policy and practice briefing notes and updates; co-ordination of Bromley Advice and information network
- Advice and guidance – on operational issues and best practice such as funding, finance, accounting, governance, information/ communications technology, human resources and quality

Partnership development

- Support to voluntary sector organisations and forums to increase the capacity and effectiveness of the voluntary sector contribution to local policy making, service scrutiny and development and service delivery
- Direct participation in multi agency partnerships
- Support to voluntary and community sector representatives (including service users and carers) to participate effectively in partnership groups
- Development and monitoring of the local voluntary sector compact
- Establishment and support of a voluntary sector reference group

Future requirements

- 3.5 In view of the demographics of the borough (e.g. highest number of people aged over 85, high numbers of young people with learning disabilities) and the increasing pressures on Council funding, the Council will be relying more on the voluntary sector to help deliver on the agenda for social care and its wider community objectives - in particular to proactively provide preventative and support services to vulnerable groups to avoid progression to the point where they become eligible for Council funding. In addition, the family support provided by voluntary sector organisations through projects like Bromley Children and Family Project (via children's centres and extended services in schools) is key to delivering the Council's objectives to provide children and young people with the best possible start in life and enable them to fully achieve their potential.
- 3.6 In the future many services will continue to be formally procured and funded by the Council from VCSEs but increasingly the Council will be relying on those organisations to attract funding from other sources and volunteers to supplement statutory funding and services. To be effective voluntary organisations will need strong planning, governance and financial management arrangements in place. Therefore there is a greater need for more formal capacity building with local organisations to enable them to deliver the expectations around supporting independence for adults/ older people and for childrens' futures. CLB has developed an organisational health check approach to facilitate this but the current level of funding has not allowed CLB to roll out the programme to a sufficiently large number of organisations within a reasonable timeframe.
- 3.7 CLB have previously received funding from BASIS, City Bridge Trust, Lloyds and Capacity Builders and benefitted from London Boroughs Grants Committee funding through the South London CVS Partnership. All of these funding streams have come to an end or end at the end of the 2011/12 financial year. As part of the new model CLB are developing a sustainable funding strategy and are exploring opportunities for raising income, sharing services, reducing back office costs, merging posts and tasks to reduce staff numbers, and increasing the role of volunteers. CLB are currently developing a new business model which will focus their work around developing the capacity of organisations and individuals to contribute to their communities and connecting organisations and individuals in the community to maximise the benefits of social capital. The new model will be implemented during 2012/13. CLB are already involved in specific community based projects in Mottingham and Penge and in the Crystal Palace Park project.
- 3.8 The option of tendering the service to provide co-ordination and support to the voluntary sector has been considered. However, there are currently no other organisations in the borough equipped to provide the service across the whole of the voluntary sector. Alternatively the services could be split between organisations with the necessary capabilities in specific areas; however, this approach is likely to increase costs as a contribution would be being made to more than one organisation's management costs and other overheads. It is also unlikely that all of the required areas could be covered if the contract were split.
- 3.9 It is therefore proposed that the contract with CLB be renewed at the current level of funding for a three years, from 1st April 2012, with an option to extend for a further two years subject to satisfactory performance. The contract would cover the core organisation and partner development functions and the operation of the volunteer centre.

4. FINANCIAL IMPLICATIONS

- 4.1 The loss of funding streams places significant pressure on the CLB budget for 2012/13. Until additional funding is secured, CLB would be able to deliver on a minimum core contract, but it is unlikely that they would be able to sustain current activity levels during 2012/13. It is

therefore proposed that the Council allocates additional one off resources in 2012/13 from uncommitted LPSA reward funding. This would enable CLB to continue to deliver against a detailed specification of corporate requirements with input from ACS and CYP Services whilst working to attract additional funding.

4.2 The additional funding would be directed towards:

Activity	Measures
<p>1. Targeted capacity building training programme to all organisations represented on thematic and delivery partnerships – e.g. Health and Social Care Board, Children’s Trust Board, Safer Bromley Partnership and related sub-groups - to improve their effectiveness and ability to contribute expertise and experience to policy and service</p>	<p>Number of training sessions organised/ attendance</p> <p>Contribution of VCSEs to delivery of statutory partner objectives</p>
<p>2. Organisational support to groups through training and support sessions for staff in the development of business plans, costing activities and services, and training/ support on bidding and tendering</p>	<p>Number of organisations with up to date business plans and funding strategies which support the Council’s priorities</p> <p>Increased services available to the community funded through non-statutory sources</p> <p>Number of organisations using outcome assessment tools in order to be able to demonstrate their effectiveness to funders</p>
<p>3. Development of collaborative working, mergers and partnerships between organisations to make more effective use of resources</p>	<p>Increased services available to the community funded through non-statutory sources</p> <p>Improved value for money for commissioning organisations</p>
<p>4. Support development of social enterprises to reduce reliance on statutory funding and increase employment opportunities for target groups</p>	<p>Number of new social enterprises established; increase in number of people employed in social enterprises</p> <p>Opportunities for internships, apprenticeships and mentoring</p>
<p>5. Extended fundraising advice and support programme to enable organisations to diversify income sources</p>	<p>Value/ percentage of non-LBB funding secured – target of at least £164k per annum secured from non-statutory sources</p> <p>Increased services available to the community funded through non-statutory sources</p>

Activity	Measures
6. Extend organisational “health check” programme to assess the fitness for purpose of VCSEs which can be used by the local authority and statutory partners as part of procurement processes (reducing the amount of time spent verifying organisational information)	<p>Number of organisations obtaining high health check rating</p> <p>Number of organisations with up to date safeguarding and other compliance policies in place</p>
7. Targeted mentoring on human resources, employment law, financial management and governance to organisations identified through the health check programme	In depth mentoring of up to 10 groups each year
8. Intensive support to specific groups identified as “at risk” due to their reliance on statutory funding	<p>Intensive support on fundraising provided to up to 10 groups each year</p> <p>Value of additional non- statutory funding secured</p>

4.3 The financial implications of the proposal are set out in the report on Part 2 of this agenda

5. LEGAL IMPLICATIONS

5.1 Contracts Regulations 2006. The rules regarding the need for competition are not directly applied to such contracts but under Regulation 4 there is a need for transparency in managing any tendering exercise. In some cases the Courts have held that this means Part B services may require to be opened up to competition. In any case the Council would, even where one or more of potential tenderers was a not for profit organisation, often still wish to seek competitive bids in order to establish value for money.

5.2 However in the present circumstances it is considered that the nature of the services sought and the role and experience of Community Links means there is no effective competition within the Borough and that the cost and process of conducting such an exercise would not be justified and could undermine the relationship which has been developed between the Council, Community Links and the VCSEs.

5.3 In accordance with Contract Procedural Rule 13.1 the Assistant Director (Commissioning and Partnerships) and the Director of Resources and Assistant Director (Finance) support the waiver of the need for further competition at this time. Should the Executive approve the recommendation and report of the exercise of the waiver will be submitted to the Audit Sub Committee in due course.

6. POLICY IMPLICATIONS

6.1 Partnership working is key to achieving the Building a Better Bromley 2020 vision and targets and in particular to the Council’s objective to support independence.

Non-Applicable Sections:	Personnel implications
Background Documents: (Access via Contact Officer)	<p>Report LDS08190 Report of the Working Party on partnerships with the voluntary sector. Executive and Resources Policy Development and Scrutiny Committee 2nd September 2008.</p> <p>Report to Executive 09118 December 09. Community Links Bromley.</p>