

**Proposed Decision to be taken by the  
Portfolio Holder for Environment  
on or after 24 October 2014**

**Consultation on future funding of the Voluntary and  
Community Sector**

**Recommendation**

That the Portfolio Holder for Environment approves the proposals for consultation.

**1. Context**

- 1.1 Warwickshire County Council has a long established relationship with voluntary and community sector (VCS) organisations operating across the County. The relationship has, on the whole, been one of coproduction and focussed on the delivery of shared objectives. However, there are examples where this has not been the case and objectives have been clouded and delivery unclear.
- 1.2 Austerity and the changing needs and demands of communities mean that a different, more rigorous, approach is now required. The VCS infrastructure itself and the nature of commissioned contracts need to change in keeping with this new context.
- 1.3 The Council is moving towards being a commissioning organisation and the focus on clear outcomes for those VCS organisations delivering contracted work is paramount. Delivery will be tested through a more rigorous performance management regime, ensuring that commissioning relationships achieve quality outcomes, value for money, and effective social impact for our investments.
- 1.4 The aim is to achieve this new set of relationships within a mutually supportive way of working, which nevertheless provides rigour and challenge.
- 1.5 Through working with the VCS the Council will seek to achieve the following outcomes:
  - a) Community resilience and the capacity of individuals and communities to respond to their needs is increased.
  - b) A diverse Third Sector which comprises a mixed market of providers.
  - c) Clearly defined community need and aspiration.

- d) Warwickshire's volunteer economy is supported, strengthened and diversified
- e) A strong offer of targeted support, which supports our most vulnerable communities
- f) Innovative, community led solutions
- g) Demand on public services is managed and reduced through growing and diversifying the service offer of the VCS
- h) A Commissioning framework which is informed by a robust knowledge base and needs analysis
- i) A Flexible VCS provider market which is responsive to change

## 2. Current Arrangements

2.1 The work of the Localities and Partnerships Team is currently delivered by a mixture of 'in-house' provision and services commissioned through the VCS. Existing contracting arrangements with VCS delivery organisations come to an end on 31<sup>st</sup> March 2015.

2.2 The County Council currently funds VCS activity, within the area of responsibility of the Localities & Partnerships Team, as follows:

a) VCS Infrastructure Support	£ 336,000
b) Race Equality Services	£ 68,000
c) Voluntary Youth Infrastructure Support	£ 157,000
d) Town and Parish Council Support	£ 22,000
e) Advice Services	£ 360,000
f) Councillor Grants Scheme	£ 310,000
Total	£1,253,000

2.3 The Localities & Partnerships Team is also subject to delivery of savings through the One Organisation Plan as follows:

2015/16	£200,000
2016/17	£350,000
2017/18	£518,000

2.4 The proposal is that these savings are delivered by a combination of reductions to both the operational costs of the Localities and Partnership Service and a reduction in the direct commissioning of the VCS.

## 3. Stakeholder Engagement

3.1 The current working arrangements have been in place for a number of years and there is a need to refocus funding and activity towards the delivery of service outcomes, as detailed at 1.5 There is also a need to meet the savings requirements of the service.

3.2 In order to establish needs moving into the future, Officers have undertaken a review of the current infrastructure support arrangements. This review has included the following activity:-

- Engaged the Voluntary and Community Sector to review existing infrastructure support arrangements and to support the design of a future contract specification.
- Engaged extensively with providers to review existing arrangements and to support the design of future contract specifications.
- Engaged WCC Service Managers and Commissioners to review existing arrangements and to support the design of future contract specifications to align the service offer across Council services.
- Engaged the Chair of the West Midlands Compact Panel to ensure that an open and transparent process is applied and regional developments shared.

#### 4. Proposals for Consultation

4.1 It is proposed that the budget supporting functions commissioned through the VCS is reduced over a four year period to £1,003,000 by 2017/18. This represents a reduction of £250,000. This will achieve part of the overall savings target of £518,000.

4.2 It is proposed to achieve the £250,000 reduction through changes to four contracts. In addition an increased Councillor Grants Scheme is proposed to increase support to smaller projects and organisations at locality level.

4.3 Delivery of the savings through a phased reduction will afford the VCS opportunity to adapt to reduced funding. It will also allow the focus of time upfront on the development of innovative solutions to mitigate the reductions.

	2014/15	2015/16	2016/17	2017/18
<b>1. VCS Infrastructure Support single contract</b>	£ 493,000	£ 430 ,000	£ 380,000	£ 270,000
<b>2. Equalities</b>	£ 68,000	£ 68,000	£ 68,000	£ 65,000
<b>3. Advice Services</b>	£ 360,000	£ 350,000	£ 330,000	£ 280,000
<b>4. Town and Parish Councils Support</b>	£ 22,000	£ 22,000	£ 20,000	£ 16,000
<b>5. Councillor Grants Scheme</b>	£310,000	£310,000	£372,000	£372,000
<b>Total</b>	£1,253,000	£1,180,000	£1,170,000	£1,003,000

**Table 1- Proposed funding allocations 2014-18**

- 4.4 The proposal of bringing all elements of infrastructure support within a single contract has been put to the infrastructure organisations. There was a degree of support for this proposal whereby some VCS groups indicated current confusion as to where to source help and support.
- 4.5 A single contract which encompasses infrastructure support to all groups will also continue to deliver the priority elements of specialist support to youth groups and Black and Minority Ethnic (BME) groups, albeit from a reduced overall resource level.
- 4.6 It is also proposed that the current BME support service be reconceptualised to deliver a generic Equalities service across Warwickshire. A move away from a BME-specific service offer, to a wider Equalities service offer would bring the contract in line with legislation (Equalities Act 2010), extending the reach of the equalities service whilst also continuing to deliver a service to BME groups.
- 4.7 Proposals will also be made to retain provision of advice and support services to Town and Parish Councils, at a reduced level of funding.
- 4.8 An Equality Impact Assessment will be developed for the proposals and the information collated from the consultation process will assist in informing this assessment.

## 5. Proposed Service Specifications

- 5.1 Subject to the outcome of the Consultation it is proposed that service specifications will be produced for competitive tender. These specifications will seek to commission the following services:
- a. **Service Area 1: VCS Infrastructure Support** (£270,000 on a 2017/18 basis)  
This contract seeks to provide support to voluntary and community sector groups in Warwickshire. Advice provided universally will include Governance Support, Funding Support, Networking Support and Volunteer Support.
  - b. **Service Area 2: Equalities** (£65,000 on a 2017/18 basis)  
This contract seeks to provide support and guidance which enables equal access to services within Warwickshire, for any person at risk of discrimination. The provider will enable service users, commissioners and providers to work in partnership to deliver improved services, especially to meet the needs of vulnerable people. The provider will also strengthen the

voice of service users and under-represented groups and improve positive relationships between people and groups from different backgrounds.

c. **Service Area 3: Town and Parish Council Support** (£16,000 on a 2017/18 basis)

This contract seeks to ensure that Town and Parish Councils have access to efficient advice and information services and to support the development of capacity within Town and Parish Councils.

d. **Service Area 4: Advice Services** (£280,000 on a 2017/18 basis)

This contract seeks to ensure that Warwickshire's most vulnerable residents have access to advice and support appropriate to dealing with the issues which they are facing. In particular, the provider will increase people's confidence in their own money management skills, increase the number of people accessing the right benefits, support residents to manage personal debt and reduce the number of people in financial difficulty.

## 6. Consultation Plan

- 6.1 Under the requirements of the One Organisational Plan, appropriate consultation is required.
- 6.2 It is intended that this consultation will last for 12 weeks, which will commence following the decision of the Portfolio Holder.

## 7.0 Background Papers

None

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