

Communities Committee

Item No.....

Report title:	Voluntary & Community Sector – Engagement Contract
Date of meeting:	25 January 2017
Responsible Chief Officer:	Tom McCabe – Executive Director, Community and Environmental Services
Strategic impact The Voluntary, Community and Social Enterprise (VCSE) sector has a significant presence in Norfolk contributing in excess of £380m to the economy annually. The systems leadership provided by the Council through the Moving Norfolk Forward plan challenges the VCSE, along with all Norfolk agencies, to work together to deliver a single public service for Norfolk. This focuses on making the best use of available resources in support of our preventative service approaches. Closer working across the public service will also help us deliver on the Council's four priorities: real jobs, better infrastructure, excellence in education and vulnerable people. The Council's arrangements with the VCSE for engagement of the sector are an important way for all departments to seek more collaborative ways of working with communities in pursuit of these aims.	

Executive summary

This report proposes the scope, funding provision approaches and general direction of travel for engaging with Norfolk's voluntary sector in early 2017. The purpose of this is to develop a joint NCC-VCSE engagement approach that will inform how the Council and the sector can work more effectively together in the future and will help inform re-procurement of the VCSE engagement contract for 2017-20.

Recommendations:

- 1. To agree the proposed VCSE engagement with the sector for February – May 2017 – developing the funding framework for future joint working**
- 2. To consider the options for financial award to support the Norfolk VCSE and express a preferred option.**
- 3. Deliver a Member workshop from Communities Committee and invite representation from Adult's and Children's services committees to support development of framework**

1. Proposal

Norfolk County Council has contracted with various VCSE bodies for them to provide leadership and support to the voluntary sector, for a number of years. Since 2014, the Service Level Agreement (SLA) to do this, which focuses on developing engagement with organisations representing adults and children and young people, has been held by CAN and Momentum respectively. A number of contractual arrangements existed prior to this.

The tender specification for the 2014-17 SLA was the result of consolidation of existing arrangements in line with budgetary constraints and efficiencies sought at the time. The subsequent VCSE engagement SLA awarded to CAN, was for adult engagement services in the north, west, south and Norwich areas only, whilst adult engagement in the east had been separately commissioned with Voluntary Norfolk – this arrangement expired in March 2016. Momentum retained separate responsibility for children and young people’s VCSE organisation engagement. In practice CAN and Momentum have worked very closely over the last two years to collaborate on projects such as the development of the ‘Sector Led Plan’ an important and wide ranging research piece on the current state and health of the voluntary sector in Norfolk (See background papers in section 5)

CES on behalf of the Communities Committee has the lead for the monitoring, and future strategic development of, the authority’s VCSE engagement arrangements. It is undertaking this work in collaboration with colleagues in Adults and Children’s Services to ensure we have a common and joined up approach to this future engagement. There are opportunities to shape arrangements for VCSE engagement going forward for example, a single consolidated engagement funding arrangements for all areas, across both age divisions and utilising existing voluntary infrastructure providers.

The three voluntary sector infrastructure organisations involved in this proposed engagement and subsequent commissioning activity are:

- *Momentum* – provide support for voluntary and community organisations working with children and young people (CYP) in Norfolk and currently hold the VCSE CYP engagement SLA. In addition Momentum hold a core support SLA with Children’s services focused on quality improvement for VCSE organisations. The Voluntary Sector Forum is Momentum’s vehicle for delivery of children and young people VCSE organisation engagement.
- *Voluntary Norfolk* – held the Adult’s engagement SLA in the east until March 2016. They currently operate a range of support programmes including contributing to the major community development Neighbourhoods That Work programme in Great Yarmouth (part funded by Adults until 2020), as well as delivery of NCC and Health funded work to support volunteering across the county.
- *CAN* – are currently commissioned by the Council for the bulk of Adult VCSE engagement. CAN also has a community development team and delivers a range of programmes funded outside this agreement.

In addition NCC has teams within Adults, Children Services and CES that seek to generate direct links with VCSE organisations to support clients or volunteering.

1.1 The importance of the VCSE to Norfolk and the Council

The annual income of Norfolk’s registered charities is estimated to be in excess of £380m (*Sector Led Plan 2015*). This figure does not take into account income for the 3000 or so non-registered charitable organisations. The Council spends c£85m per year with the VCSE, mainly through Adults and Children’s commissioned services. In an environment of sustained public service spending restraint the relationship between the two, in terms of mutual support for Council service strategies and client groups, has

never been more important. Greater resilience and strength within communities has a positive effect lowering demand for more critical services, for example: reducing numbers of people in residential care and supporting them to live more independently at home, greater numbers of families helped to stay together and work to reduce waste and increase recycling rates within communities. In all three examples, the sector plays an important and complimentary role to the Council's statutory role.

1.2. Developing arrangements with VCSE



The proposed VCSE engagement activity would explore how the Council and sector can:

- Understand and address existing community capacity issues in an environment of sustained financial restraint, increased demand, and reduced funding for the VCSE
- Make better use of existing infrastructure

- Target practical support in localities where service demand is high or increasing
- Work together to address resource issues, for example increasing volunteering and participation

Proposed timetable

Date	Activity
25 Jan 17	Communities Committee agree approach to developing framework and funding route
Feb – May 17	Joint sector / NCC engagement to develop framework for future joint work to support communities
31 May 2017	Communities Committee agree framework for joint working / funding award
May – Jul 17	Funding award process
1 Oct 17	Commencement of new VCSE work programme

1.3.Funding Options

1. Re-tender the VCSE engagement SLA under a standard commissioning process

This process is followed when the Council wishes to contract a service that it might otherwise have delivered itself. It is the process followed in 2014 and is subject to the usual Contract Standing Orders.

2. Follow a grant process

The Council requires as far as possible, for all infrastructure organisations to work together in pursuit of the Moving Norfolk forward aims. Although further definition of the way the Council and the sector will work together in the future will be defined by the proposed February – May VCSE engagement activity, this support will likely to be provided by a number of VCSE infrastructure organisations and will fulfil requirements for a grant process. In making a grant the Council would be offering financial support in areas of work, co-designed with VCSE organisations, which it wishes to sponsor. The work to be carried out by the other organisations would be deemed to add value to the Council's overall aims or objectives. This option would see a process following Contract Standing Orders regarding *grants*.

Both options would allow the setting of objectives and success measures. The grant making process (option 2) rather than a contract award would allow greater flexibility for NCC to work with the sector to shape the delivery framework as part of collaboration on supporting capacity and prevention in communities. Therefore the grant making approach is the option preferred by Adult's, Childrens and CES departments and the engagement process this allows is broadly welcomed by sector representatives. This option will support greater co-construction and joint working with the sector.

2. Evidence

Collaboration across the whole of the public service has been identified as a key desirable activity in the Moving Norfolk Forward plan. The VCSE is estimated to be worth c.£383m to Norfolk annually. The Council makes a significant investment in

this of £85m per year. In addition, the VCSE brings enormous benefits to Norfolk in terms of 'social capital' or the networks of relationships between people living in a community –this is often through volunteering and participation in the life of communities and individuals. Research in the United States (R D Putnam, Bowling Alone, 2000) has shown a positive correlation between increased social capital and educational performance – this may also be seen in a number of other important indicators for the Council and its partners including: health and wellbeing, community safety and happiness.

Increased social capital increases personal and family resilience allowing citizens to bounce back more easily from life's stresses and can help to reduce individual's levels of vulnerability. The VCSE has, and continues to play, a very significant role in helping build social capital, and hence resilience, within communities and, as such Norfolk County Council and other statutory partners stand to gain hugely from this contribution because this resilience makes a dramatic contribution to our preventative work helping reduce demand for services and lowering service user spend per capita.

3. Financial Implications

The Council's current investment in VCSE infrastructure organisations for engagement totals £161k per annum. This is divided into two main parts:

- Adults sector engagement - £140k per annum (£420k over three years) with CAN
- Children and young people sector engagement £21k per annum (£63k over three years) with Momentum

In addition, there is an opportunity to pool a further £10k per annum for adult sector engagement services in the east making a total fund of £171k per annum. It is proposed to make financial awards for 2017-20 at the same level of spending ie £171k per annum.

There are no additional spend implications for any of the options presented in section 3.

4. Issues, risks and innovation

The Norfolk VCSE makes a significant impact on communities in Norfolk and contributes considerably in helping manage demand for services.

Future engagement with the VCSE needs to take a cross Council approach and it will be important for each service delivery department to work together on these developments.

There are no other implications for any of the options in sections 1.2 and 1. 3.

5. Background

County Council Plan 2016-19

<https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/corporate/county-council-plan>

Sector Led Plan

<http://www.communityactionnorfolk.org.uk/sites/content/sector-led-plan-published>

Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

Officer Name: David Collinson

Tel No: 01603 222253

Email: david.collinson@norfolk.gov.uk



If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.