



Leicester  
City Council

**WARDS AFFECTED**  
All Wards

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**

**CABINET**

**8<sup>th</sup> November 2010**

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**CORPORATE VOLUNTARY & COMMUNITY SECTOR CONTRACTS  
QUARTERLY MONITORING**

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**Report of the Director of Change and Programme Management**

**1. Purpose of Report**

- 1.1. This report sets out performance for Quarter One (April to June 2010) of the seven corporate contracts with voluntary and community sector (VCS) organisations that currently sit within the remit of the Partnership Executive Team.

**2. Recommendations (or OPTIONS)**

- 2.1. Cabinet is asked to note the performance of the contracts as set out in Appendix A.
- 2.2. In order to make this and future reports more useful, it is intended to present these findings, where appropriate, to portfolio leads via their regular briefing sessions.

**3. Summary**

- 3.1. On 20<sup>th</sup> April 2010, the Thriving and Safe Communities Priority Board agreed to take strategic ownership of the seven corporate VCS contracts and to receive quarterly progress reports.
- 3.2. At Cabinet on 17<sup>th</sup> May 2010, it was agreed that following quarterly monitoring to the Thriving and Safe Priority Board, there would be upward reporting to Cabinet, and that the results of strategic reviews, evidence of underperformance or adverse impacts on outcomes that might result in a recommendation to withdraw funding, would be on the basis of a full report to Cabinet.
- 3.3. Appendix A sets out the progress against targets for these seven contracts for the period 1<sup>st</sup> April to 30<sup>th</sup> June 2010.

**4. Report**

- 4.1 There are seven corporate VCS contracts that currently sit within the Partnership Executive Team:
- African Caribbean Citizens Forum (ACCF)
  - Federation of Muslim Organisations (FMO)
  - Leicester Council of Faiths (LCoF)
  - Leicestershire Centre for Integrated Living (LCIL)
  - Somali Development Services (SDS)
  - The Race Equality Centre (TREC)
  - Voluntary Action Leicester (VAL)
- 4.2 From 1<sup>st</sup> September 2010, these contracts will transfer to the Voluntary Sector Team within the Service Contracting and Procurement Unit within Adult and Community Services . Continuity of monitoring will be maintained as the Monitoring Officer will also transfer across along with the contracts and they will continue to be led strategically by the Strategic Director Adults and Communities and the Thriving and Safe Communities Priority Board.
- 4.3 Performance against targets is set out in Appendix A to this report.
- 4.4 Each contract has been rated either Red (major concerns over performance), Amber (some concerns) or Green (no concerns).
- 4.5 Three contracts have been rated Green: FMO, LCoF and SDS.
- 4.6 The other four contracts have been rated Amber:
- ACCF – due to the organisation not having a Director in post for seven months. Although interim arrangements have been in place, the service has not been able to operate at full capacity. A new project manager has now been appointed and commenced on 6<sup>th</sup> September.
  - LCIL, TREC and VAL. Specifications for these organisations have been reviewed and revised, and we were waiting approval from Cabinet on 16<sup>th</sup> August to sign off these new specifications and contracts. This process was linked into the decision-making process around in-year cuts faced by the Council which has taken some time and has meant that we have not had clearly defined specifications and outcomes with these organisations during this period, and as a result of this these contracts have an amber rating. Following Cabinet’s decision on 16<sup>th</sup> August not to make any in-year reductions in this area, specifications have now been signed off. Contracts have been sent to TREC and LCIL for signature. The VAL contract has taken a little longer due to the inclusion of funding from the PCT and the Police. However, it is anticipated that this contract will be ready soon.
- 4.7 The agreement with FMO has been extended to 31<sup>st</sup> March 2011 and work has started to renegotiate the specification to include clear outcomes around supporting the infrastructure between Muslim organisations in the City.
- 4.8 The specification with ACCF is now under review to set clearer objectives and outcomes, linking this to the community cohesion strategy and to widen support with African communities.

- 4.7 Cabinet is asked to note the contents of this report.
- 4.8 In order to make this and future reports more useful, it is intended to present these findings, where appropriate, to portfolio leads via their regular briefing sessions.

## **5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

### **5.1 Financial Implications**

- 5.1.1 2010-11 budgetary provision for these Organisations is £612,500
- 5.1.2 The organisations generally receive funding quarterly in advance. For the three organisations that have simple funding agreements (ACCF, LCofF and FMO) there is provision for payments advanced to be clawed back in the event that the money is not being used in accordance with the agreement. For the other organisations the service contract arrangements provide for cessation of funding if services were not being provided as agreed.

Jon King, Accountancy Services  
X 29 7433

### **5.2 Legal Implications**

- 5.2.1 The approach to former “grant aid contracts” (including the procurement approach) is underpinned by Cabinet decisions in March and April 2008. This has, subject to a handful of contracts being queried, been successful.
- 5.2.3 For ACCF and LCoF the decision was then taken, on further consideration, to continue a funding arrangement as the purpose of the relationship reflected more of a “grant in aid” (core funding) approach rather than the delivery of particular outputs.
- 5.2.4 It will be recalled that the procurement approach to the award of the VAL contract was subsequently based on the fact that, because VAL had been awarded the contract for voluntary infrastructure in Leicestershire and because of our MAA, they were in effect the body that could provide these services in Leicester.
- 5.2.5 The recommendations in this report are supported as they will lead to clarity about the nature of the arrangements and ownership of the outcomes. It is obviously in no-one's interest for arrangements to continue that have not been properly “closed”, where money is being paid on an inchoate basis. This means that neither party can be certain what the contractual arrangement is and this could lead to disputes and service failure.
- 5.2.6 Procurement principles and contract procedure rules still apply to the award of these contracts (unless the relationship is clearly one of grant funding – in which case the rules on State Aid may apply, but at these values and for these outcomes this should not be a barrier) The procurement approach approved in 2008 should therefore be reviewed on each renewal.

- 5.2.7 Equalities issues in contracting is a complex area and the most robust approach is to embed these in the service delivery requirements at a pervasive level. The proposed work on this issue is strongly supported.
- 5.2.8 The principal legal power used by the Council to enter into these arrangements are our “well being powers”. As ever regard must be had to our Sustainable Community Strategy in the exercise of these powers.

Joanna Bunting, Head of Commercial & Property Law  
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### **5.3 Equalities Implications**

- 5.3.1 An equalities checklist for commissioning has been developed and will be piloted by the Strategic Commissioning Project Board. The checklist highlights the range of equalities considerations across the various phases of the commissioning cycle: clarifying customer needs (whether for individuals or communities), identifying an effective service offer, equality risk assessing any proposal, specifying equality outcomes and wider social benefits to be achieved by the service, and monitoring the outcomes and benefits realised. As an authority, we have been poor at specifying and demonstrating equality outcomes achieved through our service provision. The good practice approach recommended within this report will enable the Thriving and Safe Communities Priority Board to get a clearer picture of the individual and community benefits realised through its commissioning activities. This in turn, will inform the Priority Board's future commissioning decisions. Another challenge is the ongoing development of a local market of a diverse range of potential providers, providers who know and are able to respond effectively to the needs of Leicester's communities. A larger pool of potential providers would stimulate entrepreneurship within the city, which is itself, a social benefit.

Irene Kszyk, Head of Corporate Equalities  
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### **5.4 Climate Change Implications**

None. However carbon reduction is a priority target for the Council and we want all our suppliers to consider how the service they are providing can contribute to this. It is recommended that as these services are reviewed and new specifications are developed, that environmental outcomes are built into all future contracts. The new outcome based service specification template developed for delivery of community based services has an environmental impact section and guidance on how to include environmental outcomes into service delivery and the support available to suppliers to help them to reduce their carbon emissions.

**6. Other Implications**

<b>OTHER IMPLICATIONS</b>	<b>YES/ NO</b>	<b>Paragraph/References Within Supporting information</b>
Equal Opportunities	Yes	Whole report. These organisations provide an important ‘gateway’ into key communities within the city, helping the Council to better understand need and engage with these communities
Policy	NO	
Sustainable and Environmental	NO	
Crime and Disorder	NO	
Human Rights Act	NO	
Elderly/People on Low Income	NO	
Corporate Parenting	NO	
Health Inequalities Impact	NO	

**7. Risk Assessment Matrix**

<b>Risk</b>	<b>Likelihood L/M/H</b>	<b>Severity Impact L/M/H</b>	<b>Control Actions (if necessary/appropriate)</b>
1 Contracts do not deliver against agreed outcomes and do not demonstrate value for money	High	Medium	Clear outcome based specifications have been, or are being, negotiated with providers. Rigorous quarterly monitoring and reporting will be undertaken.
2 Not opening the funding or procurement process up to competition could lead to challenges from other providers	Medium	Medium	A Strategic review of contracts needs to take place in the longer term to assess future needs and priorities.
3 Services operating without signed contracts – LCC may not be able to claw back advance payments if dissatisfied with performance	Medium	Medium	It is hoped to issue new contracts very shortly.

**8. Background Papers – Local Government Act 1972**

5.3 Not applicable

## 9. Consultations

- 9.1 Julie Morley, Team Leader, Partnership Team  
Miranda Cannon, Director Change and Programme Management  
Kim Curry, Strategic Director, Adults and Communities  
Irene Kszyk, Head of Corporate Equalities  
Joanna Bunting, Head of Commercial & Property Law  
Jon King, Accountancy Services

## 10. Report Author

- 10.1 Andrew Tovell, Regeneration Officer, Partnership Executive Team, x29 8665

<b>Key Decision</b>	No
<b>Reason</b>	N/A
<b>Appeared in Forward Plan</b>	N/A
<b>Executive or Council Decision</b>	Executive (Cabinet)

## QUARTERLY PERFORMANCE REPORTING – CORPORATE VCS CONTRACTS

**PERIOD: 1st April to 30th June 2010**

Name of Organisation: <b>Somali Development Services</b>			
Brief summary of service (as set out in specification):			
Somali Development Services (SDS) will:			
<ol style="list-style-type: none"> <li>1. Provide a range of support and advice services to address the needs of the Somali Community in Leicester.</li> <li>2. Undertake general engagement and consultation with the Somali Community and maintain good communication with the council to ensure ongoing and constructive dialogue between the Somali community and the Council is supported.</li> </ol>			
Outputs/Outcomes	Target for period	Achieved	Comments
No of people supported at drop-in sessions	No target set	383	Advice given on benefits, form filling, GP referrals, utilities bills, onward referrals
No of service users reporting feeling satisfied or very satisfied with the service	75%	100% of those giving feedback	35% of users returned feedback sheets
No of community groups worked with	No target set	5	
No of community meetings held	No target set	2	
No of attendees at community meetings	No target set	8	
Development of effective partnerships and joint working with the Somali community		Situation much improved from 2-3 years ago. Dialogue between groups is now happening.	A number of meetings have been held with other groups (eg St Matthews Community Solutions). Dialogue has been maintained and progress is slowly being made in this sensitive area.
Performance rating: Green – no concerns over performance			

Other key activities undertaken:

Although the drop-in sessions are aimed at the Somali community, a large minority (37% this quarter) of those attending are new arrivals from Eastern Europe (eg Czech and Slovak Roma)

Current status of contract:

A new service contract was issued on 1<sup>st</sup> July 2009 and runs to 31<sup>st</sup> March 2012. The specification may need reviewing during 2010/11. The total value of the contract is £124,850:

£34,050 in 09/10 (9 months)

£45,400 in 10/11

£45,400 in 11/12

First two quarters in 2010/11 have been paid totalling £22,700



## QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

**PERIOD: 1st April to 30th June 2010**

Name of Organisation: <b>Leicester Council of Faiths</b>			
Brief summary of service (as set out in specification):			
Leicester Council of Faiths will encourage and promote knowledge and understanding of, and between, the different faith communities in the city and will work with Leicester City Council and the Leicester Partnership to achieve this.			
Outputs/Outcomes	Target for period	Achieved	Comments
Number of faith organisations/communities worked with	No target set	13	8 member faith communities, plus Ahmadiyyah, Mormons, Pagan Alliance, Secular Society, Swaminarayan Mission,
Number of community meetings held	No target set	2	Council of Faiths meetings are open to members of all communities
LCoF develop effective collaborative working with community faiths groups in the city	N/A		Meeting on wearing of kirpan in schools with reps from all nine gurdwaras in Leicester.
To have a Board which is representative of the communities served	N/A		The Board is representative of the 8 member faith communities: Bahai, Buddhist, Christian, Hindu, Jain, Jewish, Muslim, Sikh)
Performance rating: Green – no concern over performance			
Other key activities undertaken:			
Use of technology and social networking to support a dialogue between different faith communities, and to develop greater understanding. Website – over 5,000 hits per quarter. Facebook page – 114 fans so far. Twitter account has 35 followers now. Blog with 50 signed up followers.			
Current status of contract:			
Current contract runs from 1 <sup>st</sup> April 2009 to 31 <sup>st</sup> March 2012. Total contract value is £75,000: £25,000 per year for 3 years. 3 quarterly payment of £6,250 each for 2010/11 have been made.			

## QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

**PERIOD: 1st April to 30th June 2010**

Name of Organisation: <b>African Caribbean Citizens Forum</b>			
Brief summary of service (as set out in specification):			
A community based service that will work with Leicester City Council and its partners to improve our understanding of African and African Caribbean issues across the City and the impact this has on community cohesion. To work with the Council and its partners to ensure that the voice of its African and African Caribbean community is heard.			
Outputs/Outcomes	Target for period	Achieved	Comments
No of community meetings held	No target set	5	
No of community members representing the Forum	No target set	8	
No of new Forum members recruited	No target set	0	To be addressed once the new project manager has been appointed.
No of community groups worked with	No target set	20	77 individuals in total
To have a Forum which is representative of the communities served	N/A		19 community members on the Management Body representing 11 different groups
Development of effective joint working with community groups working with the African and Caribbean population	N/A	Recent work to try to calm tensions in Highfields	Youth of African Heritage Forum  African Heritage consortium
Performance rating: Amber – some concerns (see below)			
Other key activities undertaken:			
The part-time Director of the Forum resigned in January 2010. A full-time Project Manager post has been advertised and interviews have been held. The successful candidate commenced work on 6 <sup>th</sup> September.			

Interim arrangements were in place for this quarter but the level of activity has dropped. This should improve with the appointment of the new Project Manager.

Current status of contract:

Current contract runs from 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2012. Total contract value is £129,300: £43,100 per annum for 3 years. The first two quarters for 2010/11 have been paid totalling £21,550.

In line with the recommendations from the report to Cabinet on 10<sup>th</sup> May 2010, the specification is currently being updated. The aims of the service have been agreed and activities/outcomes are currently being worked on.

## QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

**PERIOD: 1st April to 30th June 2010**

Name of Organisation: <b>Federation of Muslim Organisations</b>			
Brief summary of service (as set out in specification):			
The FMO will represent the full range of Muslim communities in Leicester. It will act as a conduit for communication between Muslim communities, and the Council and Leicester Partnership.			
Outputs/Outcomes	Target for period	Achieved	Comments
No of individuals signposted to appropriate services	No target set	2,685	
No of awareness sessions held	No target set	67	
To be representative of the full range of Muslim communities	N/A		The Executive Committee represents Muslims from various different mosques, ethnic heritage, and schools of thought. The first Somali office bearer was elected in 2010. A new young Bangladeshi member has also been elected.
To be a focal point for new arrivals from Muslim communities	N/A		Support for Somali, Iraqi, Iranian, Indian and Pakistani new arrivals.
To participate fully in inter-faith work	N/A		Working with Interfaith forum, Christian Muslim Dialogue group, Faith Leaders Forum, St Philips Centre, Leicester Council of Faiths
To actively promote democratic participation	N/A	Regular meetings held with Muslim and non-Muslim Councillors	FMO has a dedicated political participation sub-committee. FMO Engage ran a large campaign prior to General Election to encourage all Muslims to vote.

Performance rating: Green – no concern over performance

Other key activities undertaken:

Recruiting staff for the Drug 3 project – addressing the issue of drug abuse amongst Muslims, mentoring individuals and supporting families.

Youth and Community Awards 2010 were held in April – over 1,000 people attended

Current status of contract:

Existing contract expired 31<sup>st</sup> March 2010. However, this was extended for 12 months to 31<sup>st</sup> March 2011. Contract value is £25,000 per annum. Invoice for first two quarterly payments of 2010/11 totalling £12,500 have been made.

In line with the recommendations from the report to Cabinet on 10<sup>th</sup> May 2010, the specification is currently being updated.

## QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

**PERIOD: 1st April to 30th June 2010**

Name of Organisation: <b>Voluntary Action Leicester</b>			
Brief summary of service (as set out in the current specification - the new specification has a different focus and this will be reflected in future monitoring reports.)			
<p>The service will improve the co-ordination, engagement and representation of VCS organisations in the city. The service will support the professional development and build capacity of VCS organisations to enable them to influence decision making and deliver effective services that meet the diverse needs of the people of Leicester. The service will provide training and ongoing support to the VCS representatives that sit on the Leicester Partnership and its delivery groups. It will also play a central role in the development of volunteering opportunities and the delivery of a range of volunteering services in the city that meet the needs of service users.</p>			
Outputs/Outcomes	Target	Achieved	Comments
Percentage of VCS groups feeling “well informed” or “very well informed” about strategies, policies and partnerships	77%	Not available	Will be reported as part of the VCS Annual Survey results
VAL membership profiles show a diverse range of membership reflecting the population	N/A		34% of groups are from BME communities. 61% of members have annual income below £10,000
Percentage of VCS groups receiving advice or training reporting they have increased their capacity or effectiveness	64% (training) 91% (advice & support)	65% 62%	Evaluation forms, feedback  This target will be monitored closely over the year.
No of volunteer enquiries	4,000 (for the year)	842	To be monitored closely
Percentage of volunteers that take up volunteering opportunities	35%	28%	

Percentage of volunteers happy or very happy with their placement	80%	55%	VAL will be working hard to improve this
Performance rating: Amber – concerns due to operating without a signed contract for 12 months – see below			
Other key activities undertaken:  Leicester Compact Training, 1:1 Support, Helpline, Resource Centre State of the Sector report due soon			
Current status of contract:  Previous service contract expired on 31 <sup>st</sup> March 2009. This was extended to 30 <sup>th</sup> June 2009. We could not legally extend any further. Agreement could not be reached on a new specification. Payments continued to maintain service continuity. Value of payments for 2009/10 totalled £295,900. First two quarterly payments for 2010/11 totalling £147,975 have been made.  New specification based on national standards that reflect the need for them to support and develop the VCS, and its role as an integral part of local planning and policy-making has been agreed with VAL. Following Cabinet decisions on 16 <sup>th</sup> August, instructions have been given to Legal to issue the contract. It is hoped that the contract will be issued shortly.  The value of the new contract is currently £391,212 per annum – made up of City Council (£295,900), plus PCT (£85,312), and Police (£10,000)			

## QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

**PERIOD: 1st April to 30th June 2010**

Name of Organisation: <b>Leicestershire Centre for Integrated Living</b>			
Brief summary of service (as set out in the new and agreed specification):			
Proposed 2010/2013 Spec - The service provider will seek the views and opinions of people with disabilities and organisations working with disabled people and ensure these views are represented appropriately to the local authority. The service will promote and foster two way communication and engagement between local authority and the service provider who will act as the 'voice of the community', to ensure our services are effective and responsive to the needs of local disabled people and meet our disability equality duties.			
Outputs/Outcomes	Target for period	Achieved	Comments
No of individuals receiving information	No target set	48	
No of organisations receiving information	No target set		
No of planning meetings held	No target set	41	
No of consultation events held	No target set	10	
No of individuals attending events	No target set	87	
No of organisations attending events	No target set		Sessions in 4 areas and events targeting groups representing 4 specific disability categories
Performance rating: Amber – concerns as they have been operating without a signed contract in place for 12 months			
Other key activities undertaken:			
Supporting 2 new emerging disability groups who have the potential to be User Led Organisations. Supporting the Adult Social Care transformation process with consultation groups and stakeholder forum work			



Current status of contract:

Previous service contract expired on 31<sup>st</sup> March 2009. This was extended to 30<sup>th</sup> June 2009. We could not legally extend any further. LCIL were sent a new contract in September 2009, but this was not signed as LCIL were not happy with the specification requirements. Payments continued to maintain service continuity. Value of payments for 2009/10 totalled £46,200. First two quarterly payments totalling £23,100 for 2010/11 have been made.

Contract negotiations have continued and a new specification has now been agreed. Following Cabinet decisions on 16<sup>th</sup> August, instructions have been given to legal services to issue the contract. The contract has now been engrossed and dispatched by Legal to LCIL for signature.

## QUARTERLY PERFORMANCE REPORTING TEMPLATE – CORPORATE VCS CONTRACTS

**PERIOD: 1st April to 30th June 2010**

Name of Organisation: <b>The Race Equality Centre</b>			
Brief summary of service (as set out in the previous specification as the current specification is being finalised and agreed):			
To actively promote and raise awareness of local race equality issues through:			
<ul style="list-style-type: none"> <li>• the promotion of racial equality and diversity</li> <li>• advice and assistance in the development and implementation of policies to challenge and tackle racism, including far right activity.</li> <li>• general support and advice to refugees, asylum seekers and other new arrivals to the UK.</li> </ul>			
Outputs/Outcomes	Target for period	Achieved	Comments
No of organisations supported with advice/guidance on equality issues	No target set	9	
No of individuals supported with advice/guidance on equality issues	No target set	31	
No of activities undertaken to reduce the impact of far right activity	No target set	3	
Refugees accessing the service report feeling 'more settled' in Leicester as a result of the service received	50%	99%	Work with refugees has significantly increased
Number of organisations reporting feeling 'satisfied' or 'very satisfied' with the service received	75%	Not reported	

Communities and ward councillors are aware of the threat to community cohesion brought about by the activities of those who advocate extreme and/or violent racist views and/or activities	N/A	"needs improving"	Voter registration workshops in Highfields & St Matthews
Performance rating: Amber – some concerns due to no contract being in place for 12 months			
<p>Other key activities undertaken:</p> <p>412 refugees supported by TREC in this period  Participation in the Equality and Diversity Partnership  Work to reduce tensions in Highfields</p>			
<p>Current status of contract:</p> <p>Previous service contract expired on 31<sup>st</sup> March 2009. This was extended to 30<sup>th</sup> June 2009. We could not legally extend any further. TREC were sent a new contract in October 2009, but this was not signed as TREC were not happy with the specification requirements. The Monitoring Officer visited TREC in October 2009; he shared with them a reporting template and asked them to report quarterly against this. TREC have started supplying quarterly information as of July 2010.</p> <p>Payments continued on the instruction of Miranda Cannon. Value of payments for 2009/10 totalled £117,800. First two quarterly payments totalling £58,900 for 2010/11 have been made. The new specification has now been agreed and a contract has been issued.</p>			