

Appendix A - Executive Decision Report

**Supporting the Voluntary and Community Sector
(VCS) – outcome of consultation and future options**

Decision to be taken by: City Mayor

Decision to be taken on: TBC

Lead director: Miranda Cannon

Useful information

- Ward(s) affected: All
- Report authors: Miranda Cannon / George Ballentyne / Tine Juhlert
- Author contact details: Extn 37 0102 / 37 4146
- Report version number: Publication draft vrs0.1 22.04.14

1. Summary

The purpose of this report is to set out the findings from consultation on the future model for:

- support for the Voluntary and Community Sector (VCS);
- working with the VCS to engage with key communities to support a cohesive Leicester; and
- support for volunteering in the city.

The report recommends the future commissioning approach informed by the consultation.

2. Recommendations

The Executive is recommended to:

- Agree the proposed approach to Strand 1 (“Support for the Voluntary and Community Sector”) by commissioning two specific services:
 - **Supporting collaboration and a collective voice for the VCS:** A service that focuses on building and maintaining effective channels of communication and consultation between the VCS, City Council and the wider public sector. The service should promote effective partnership working and collaboration between VCS organisations in order to maximise opportunities for leveraging external funding (thereby helping organisations improve their financial sustainability) and enable the VCS to engage effectively in the planning, delivery, monitoring and improvement of services, particularly in taking forward the City Mayor’s priorities for Leicester.
 - **Provision of guidance, advice and training to VCS organisations:** A service which effectively supports Voluntary and Community Sector organisations in the city, focusing on support in relation to: financial sustainability; business planning; new ways of working; fund raising and bidding for funding; good governance and organisational set up.
- Agree the proposed approach to Strand 2 (“Engagement to Support a Cohesive Leicester”) by commissioning representative organisations for the purposes of engagement between the City Council and communities. This approach will focus on VCS organisations working in the protected characteristics of race, religion or belief and on the community of identity and/or interest of Lesbian, Gay, Bisexual and Transgender (LGBT) people (as most directly relating to community cohesion

and integration in the city and not being supported in other areas of the City Council's delivery, such as Adult Social Care). This approach will be based on amended criteria, and incorporate actions to support interactions between protected characteristics and between communities. It should also focus on the full range of protected characteristics and on needs and vulnerabilities within the communities represented. Under the criteria, successful applicant organisations:

- can demonstrate an understanding and affiliation with communities in Leicester;
 - can demonstrate that they have an established organisational purpose and objectives which relate directly to supporting community cohesion and promoting good relations among Leicester's diverse communities;
 - can evidence that they have sound governance and operational structures and that they are working to clearly defined standards (especially in relation to its financial affairs);
 - are signed up to the Leicester Compact and support and promote its principles;
 - are able to define and demonstrate a robust and evidence based understanding of the community of identity and/or interest which they represent within the city;
 - are able to identify and evidence the needs of the community of identity and/or interest which it represents in the city and can demonstrate that they understand the nature and scale of those needs as shown by relevant data including social and economic indicators, and other appropriate evidence;
 - can prove that they have the capacity, established mechanisms, and proven ability to facilitate effective dialogue across the community they represent, and also to feedback to the community they represent;
 - can demonstrate credibility and buy-in from the community of identity and/or interest which they represent;
 - can demonstrate that their organisational make-up and public mission are proportionate and representative of the community they represent; and
 - can prove that they provide equality of access and equality of opportunities to the people they serve.
- Agree the proposed approach to Strand 3 ("Support for Volunteering in the City") by commissioning a service that will specifically take into account the following points outlined in section 3.10:
 - giving something back to volunteers;
 - making it easier and more efficient for organisations to recruit and manage volunteers;
 - acknowledging the different types of volunteers and more explicitly supporting the recruitment of those with appropriate skills to serve as Board members and Trustees; and
 - recognising the importance of volunteering to meet a range of objectives including as a route into employment and also to support health and wellbeing, helping those who are more vulnerable as a result of mental health conditions.
 - Agree the indicative funding allocation ranges for the three strands as follows:
 - Strand 1a Partnership working and collaboration: £40,000 - £60,000;
 - Strand 1b Support for the city's VCS: £100,000 - £160,000;
 - Strand 2 Engagement to support a cohesive Leicester: £150,000 - £200,000;
 - Strand 3 Support for volunteering in the city: £60,000 - £100,000.

The indicative maximum funding allocation would be £450,000. The procurement stage of the review will inform the final funding allocation for each of these strands. In recognition that further flexibility may be necessary, these are indicative funding allocations; consequently the City Council will not be bound by these minimum or maximum figures.

- Agree the contract term will be for two years with the potential for a further year, making a maximum of three years and ending at the latest on 30 September 2017.
- Support, in principle, the commissioning of Strands 1 and 3 collaboratively with the Office of the Police and Crime Commissioner (OPCC) and the Leicester City Clinical Commissioning Group (CCG), provided they make a financial commitment until the end of the proposed contract term.
- Confirm understanding of the implications outlined in section 3.12 and the EIAs at appendices 3 and 4, and agree the mitigating actions that are proposed. These include the proposal to procure a two-year service to focus on engaging and working with other organisations and volunteers in order to develop a more sustainable network of support for new arrivals in the city (particularly asylum seekers and refugees) and to build up expertise and knowledge within other organisations during a transition period, so that new arrivals are able to access services in a meaningful and effective way in the future.
- Determine any other mitigating actions they feel should be considered in response to equalities and other implications highlighted in the report.
- Subject to approval of the recommendations above, agree the procurement approach as outlined in section 3.14 and the addition of the recommended procurements to the Council's Procurement Plan (as required under Contract Procedure Rules).
- Agree the formal extension of the seven current contracts until 30 September 2014.

3. Supporting information

3.1 Introduction

This review is important to Leicester City Council because the VCS is a key partner and provider of a range of services in the city. A significant number of these services are commissioned by the City Council. Increasingly there have been clear indications of the challenges facing the sector, resulting in the dissolution of some VCS organisations, with others flagging up concerns about financial sustainability. The City Council recognises the need for a flexible and dynamic approach to supporting the sector so that it can adapt and change appropriately in order to maximise future opportunities for funding, thereby contributing to the sustainability of the city's VCS and the services it provides.

This review should be seen in the context of the City Council's total support for the VCS in Leicester. The latest, most reliable figure for total budget support of the VCS as a whole (recently published on the City Council's website) is £17,815,912 per annum. This figure spans all types of support for all sorts of VCS organisations in the city, including those identifying particular groups as primary service users (e.g. asylum seekers; carers; children; disabled people, including people with learning disabilities; drug and alcohol users; families; homeless people; offenders or those at risk of offending; older people; refugees; teenage parents; young people); those delivering services around particular themes and topics (e.g. domestic violence; events and festivals; HIV/AIDS; mental health; supported housing) and those best described as "generic", "universal" or "open to all". The seven organisations in scope of this review – as well as the ones which could be shown to depend on them – are not the only way that the City Council engages with and supports the VCS. These services are, of course, themselves at different stages of undergoing review.

Whilst acknowledging the work of infrastructure organisations, the City Council needs to be clear on what our core offer of support should be to this arm of the VCS and what would be the best model of delivery. This model must be affordable. There is no escaping the fact that this review has to contribute to budget savings for the City Council. The amount in scope of this review is £582,200 per annum, reducing to an indicated maximum figure of £450,000 per annum.

3.2 Current arrangements

The City Council currently contracts with Voluntary Action Leicestershire (VAL) to provide support to the VCS in both generic and specific terms. The specification requires VAL to:

- build and maintain an appropriate infrastructure organisation that represents and supports all voluntary and community organisations in Leicester, based on NAVCA core standards;
- build and maintain an effective volunteer centre based on the six core functions as defined by Volunteering England; and
- build and maintain effective communication and consultation channels between the VCS, the City Council, Leicester City (CCG), Leicestershire Police and other

statutory agencies as appropriate, that ensures the sector is fully engaged in both the planning and delivering of services, and in taking forward the City Mayor's vision for the city.

Both Leicestershire Police and the Leicester City (CCG) make financial contributions to the contract which in itself is a contract specifically between the City Council and VAL. The contract with VAL costs the City Council £295,900 per annum, plus contributions of £10,000 and £85,312 from the Police and CCG respectively. Both partners are at this point committed to carry on this contribution until the end of the current contract at which point Leicestershire Police has indicated that it will continue to contribute £10,000 although the CCG is unsure of future funding contribution commitments (further details are provided in section 3.13).

The City Council also has contracts or agreements with a number of other organisations in scope of this review as follows (see EIA in Appendix 4 for further details of the outcomes currently commissioned from these organisations):

- African Caribbean Citizens Forum (ACCF) £43,100 p.a.
- Federation of Muslim Organisations (FMO) £25,000 p.a.
- Gujurat Hindu Association (GHA) £30,000 p.a.
- Leicester Council of Faiths (LCoF) £25,000 p.a.
- Somali Development Service (SDS) £45,400 p.a.
- The Race Equality Centre (TREC) £117,800 p.a.

The primary focus of these contracts or agreements is to support representation of, and engagement with, specific communities of interest, and to act as a point of contact between those communities and the City Council in order to support cohesion and integration. The focus of these arrangements is either with a specific community of identity or interest (e.g. Somali, Muslim, Gujurat Hindu, African heritage) or across one of the protected characteristics as a whole (i.e. religion or belief; race). The focus of this activity has typically involved the organisation with which the City Council has contracted working collectively with other organisations within those communities or protected characteristics.

The agreements with SDS and TREC include them working directly with individual service users to provide information, advice and guidance. While this element has not been included in the scope of the review, this report recognises the implications of excluding this and considers how these implications may be appropriately managed (see section 3.12 and EIA at Appendix 4).

3.3 Proposals put forward for consultation

Proposals were developed in relation to three specific strands of activity:

- support for the city's VCS;
- engagement to support a cohesive Leicester; and
- support for volunteering in the city.

These proposals formed the basis of the consultation. Appendix 1 sets out the proposals and lists the questions posed in the consultation.

3.4 Consultation approach and responses

The public consultation on the proposals commenced on 28 October 2013 and closed on 17 January 2014 (i.e. 12 weeks in duration). The approach was consistent with that agreed with the Executive at the outset: a public consultation open to everyone. The rationale was that this review could have implications for any resident in the city, not just VCS organisations themselves, inasmuch as the VCS provides a wide range of services to citizens in Leicester and equally citizens themselves may be involved in working for and / or supporting VCS organisations either as volunteers or as paid employees – or that they themselves (or their family and friends) could be past, present or future beneficiaries, employees or volunteers of VCS organisations and their services.

The consultation involved:

- an online survey posted on the City Council's Citizen Space consultation hub;
- hard copy questionnaires, completed versions of which could be handed in at any one of 27 City Council sites across the city (e.g. public libraries);
- nine public briefing sessions scheduled across the city, facilitated by the Project Director and the VCS Engagement Manager, with occasional support from other City Council officers; and
- attendance by the Project Director and/or VCS Engagement Manager at ad hoc meetings held on this matter by other organisations.

A press release was used to advertise the public consultation and the VAL e-bulletin was used to issue weekly updates on progress and to promote the face-to-face briefing sessions. A generic email account was set up to ensure the project team was able to monitor and share emails from all interested parties.

3.4.1 Survey responses (online and hard copy)

A total of 136 survey responses were received, including completed hard copy questionnaires. Content from the hard copy was manually typed into the online template for ease of analysis. This has been transferred directly without corrections to the original spelling or grammar, or any interpretation of what might be meant if the original text is unclear.

Appendix 2 is the report generated from Citizen Space on the quantitative questions. In addition, comments from the survey are captured in an Excel spreadsheet (which is available for the Executive if required although not for wider circulation due to the fact that the content of individual responses can, in some cases, be clearly attributed to an individual or organisation).

Of these 136 responses:

- 64 were on behalf of charities, voluntary organisations, social enterprises, faith-based or community groups. Of these, social enterprises formed the largest number (29) followed by charities (18);
- 10 were from people describing themselves as volunteers;

- 57 were from service users; and
- 5 chose not to classify their answers under any of these categories.

Of the hard copy returns, 21 were received as a bundle from SDS, self-identified as having been completed and submitted “on your own behalf as a service user”. However, it appears that service users were assisted to complete these forms, as the same handwriting was used across many of the forms, all of which contained very similar comments and expressed a consistent view in terms of supporting the proposals and in appealing for continued support for SDS.

The majority of organisations responding to the survey provide services across the city, with only six stating that they operate in a single ward (wards referenced being Evington, Fosse, Freeman and Spinney Hills). Others stated that while their service was primarily based and focused on a defined area of the city, it was of a kind that would be accessible to anyone.

In relation to the size of organisations responding, we asked them to indicate their level of gross income, the number of staff they employ and number of volunteers they work with. The results show a spread across all the specified income ranges (although only one organisation declared its gross income as being over £1 million) and across staffing levels and volunteer numbers.

Finally the survey asked for an indication of the area of work that the responding organisations undertake. “Community development/neighbourhood involvement” formed the largest response (26 out of 36 who completed this section). There were several areas of work which were not covered (e.g. disability, domestic violence, offenders, race and ethnicity, and refugees and asylum seekers). However it should be noted that some of these areas were represented among the organisations attending the public briefing sessions (see Appendix 5).

There is more information in Appendix 2 on the type, size and focus of the organisations completing the questionnaire. Appendix 5 lists all the organisations which responded in some way to the consultation (by completing and returning the questionnaire either online or as hard copy, by attending a public briefing session or by submitting messages with general comments or support for an organisation or service).

Many respondents to the review made meaningful contributions only to that part which they perceived as directly impacting on their own organisation(s) or area(s) of interest, rather than contributing to the questionnaire as a whole.

3.4.2 Public briefing sessions

Nine public briefing sessions were planned, from 6 November 2013 to 13 January 2014.

- 78 people attended;
- 44 VCS organisations were represented (listed in Appendix 5);
- 5 of the VCS organisations in scope of this review were represented at these briefings.

One session (Knighton Library, 12 December 2013) was cancelled due to only one

person having registered to attend (who was offered an alternative date and venue). A relevant public meeting organised by another agency was being held elsewhere in the city at the same time (which the City Council VCS Engagement Manager attended).

At the public briefing sessions there was a short presentation giving an overview of the review aims, objectives and proposals. The sessions were then opened up to participants to discuss specific areas of interest in small groups. Detailed notes were taken at the sessions (which are available for the Executive if required).

3.4.3 Meetings with existing providers

Existing providers within the scope of this review were sent a letter at the outset stating the City Council's intentions, presenting the timescale and acknowledging the implications in terms of current contracts. In this letter, each of the seven organisations was offered the opportunity of a one-to-one meeting with the City Mayor (or a member of the City Mayor's Executive), the Project Director and the City Council VCS Engagement Manager. These meetings took place as follows:

- African Caribbean Citizens Forum, 24 January 2014, Town Hall (with written submission);
- Federation of Muslim Organisations, 27 November 2013, New Walk Centre, B7, City Mayor's office;
- Gujarat Hindu Association, 9 January 2014, New Walk Centre, B7, City Mayor's office;
- Leicester Council of Faiths, 17 January, New Walk Centre, B7, City Mayor's office (with written submission);
- Somali Development Services, 11 November 2013, SDS Centre (with Cllr Sood in place of City Mayor; with written submission);
- The Race Equality Centre (2 meetings)
 - 18 November 2013, TREC offices, Epic House (with Cllr Sood in place of City Mayor);
 - 17 January 2014, New Walk Centre, B7, City Mayor's Office (with written submission);
- Voluntary Action LeicesterShire, 20 January 2014, Town Hall (with written submission).

Detailed notes from each of these meetings, as well as copies of the written submissions from each of the organisations, are available to the Executive if required.

3.4.4 Additional activity and responses

In addition, the Project Director and/or VCS Engagement Manager were present at the following meetings to respond to questions about the review.

- City Infrastructure Review Meeting, VAL, 15 January 2013 (by invitation);
- Leicestershire Against Cuts, Secular Hall, Humberstone Gate, 12 December 2013; and
- Racial Minority Assembly, Highfields Centre, 11 December 2013 (by invitation).

A number of other types of responses have been received, including:

- Letters of support (many sent by email) on behalf of the VCS organisations included in scope of the review, as follows:
 - Leicester Council of Faiths (two letters of support);
 - The Race Equality Centre (seven letters of support);
 - Voluntary Action LeicesterShire (five letters of support and one against);
 - Seven letters with general comments were also received. More than one of these appears to be based on a model circulated among likely respondents, which cannot help but compromise the validity of the correspondence.

The comments within these letters of support have been taken into account and are reflected in the findings of this report.

- One relevant article was published in the *Leicester Mercury* (arising from the City Council's press release):
 - "Leicester City Council set to review voluntary group funds" (13 October 2013)
- In addition the project team kept up to date with relevant posts on social media, for example:
 - Sean Tizzard (Policy & Learning Manager, Big Lottery Fund), Facebook, 28 November 2013;
 - TREC, Facebook, 29 November 2013;
 - TREC, blog posts, 18 November, 23 December 2013; and
 - Socialist Party Leicester, blog post, 13 December 2013.

Comments gleaned from social media have been considered and form part of the evaluation of the consultation findings in this report.

3.5 Strand 1: Support for the city's VCS – consultation findings

This part of the proposals solicited responses on how Leicester City Council can best support VCS organisations in the city. The questionnaire asked respondents to select their top three priorities from a list of twelve options for support. There was also a free text field that allowed respondents to enter their own recommendations if they wanted to do so.

- Financial sustainability, organisational set up and fund-raising received the largest number of responses (17%, 13% and 12.5% respectively of all responses to this question).
- Management of staff and use of ICT scored the least with only 1 response each.
- 86 respondents chose "N/A – only to be used by volunteers/service users", which is 19 more people than classified themselves as such in the "Tell Us About Yourself" part of the survey. No one returned a "Not answered" response.

From the other options offered, 13 respondents indicated an alternative as one of their three priorities. The alternatives suggested were as follows:

- back office support (2 respondents);

- equality and diversity (1 respondent);
- strategic planning (1 respondent);
- policy development (1 respondent);
- mergers / collaborative working / partnership working (4 respondents);
- supporting an effective voice for the VCS (1 respondent);
- staff training (2 respondents);
- community / neighbourhood planning (1 respondent).

The survey also asked for views on any barriers to making the proposed approach work in practice. The main types of barriers identified were:

- the proposal would be administratively costly, consequently not best value for money;
- it could potentially be bureaucratic and burdensome as an approach;
- support would be difficult to access, particularly for smaller volunteer-led groups, with a general concern about having to “jump through hoops” to get access;
- potential for the approach to fragment the VCS rather than support partnership working and collaboration (echoed in the public briefing sessions);
- lack of future support for communication, consultation and engagement, a “collective voice” for the VCS (echoed in the public briefing sessions – and also raised as a potential problem in response to Strand 2);
- resources would be stretched too thinly, raising concern about whether organisations get support outside of the defined packages, and what happens once they have used up their allocation because there would be no means of ongoing advice, support and guidance for the VCS (echoed in the public briefing sessions);
- doubt that robust quality control and feedback could be assured; and
- the ability and capacity of organisations to make best use of – and act on – the support.

Headlines regarding Strand 1 from the public briefing sessions are shown below (detailed notes from each meeting, as well as notes compiled thematically across meetings, are available if required by the Executive):

- concern over loss of collective voice for the VCS in the city as this model does not appear to offer any way of bringing together people, groups and organisations, either in forums or consortia;
- concern over loss of single overarching organisation for VCS; VAL provides best practice, advice, guidance, helpline and ad hoc support virtually on tap – and aspects such as VAL’s e-briefings received positive comments;
- this model would not allow consortia to access support – counter-productive if Leicester City Council and other relevant agencies (such as LLEP) want to encourage groups and organisations to work together more closely in partnership, particularly where this will help to ensure greater financial sustainability and the ability to leverage more funding;
- Worcestershire County Council model¹ inappropriate, even when adapted to local circumstances, with concerns about it being administratively burdensome and that it would stretch limited resources too thinly to have positive impact;
- groups and organisations of different age, experience, purpose and size require different kinds of support – model does not appear to acknowledge or cater for this;

¹ See section 3.6 below.

- concern over diagnostic or triage aspect of model – potential for conflict of interest and for organisations to be reticent to come forward for diagnostic, revealing their weaknesses when they may be hoping to get contracted work from Leicester City Council;
- mixed response to the place of VAL in the review, with as many respondents expressing dissatisfaction with its current service as satisfaction, and many expressing concern about downgrading the level of support that VAL might receive from the City Council, leading in turn to a downgrading in the support that VAL would be able to give the sector;
- some positive responses to City Council proposing to target directly a wider range of VCS organisations at the grass roots;
- some attendees liked the idea that VCS organisations would be able to choose support options more suited to their needs, from providers with whom they could build a meaningful relationship; and
- clear picture of support-needs being focused on financial sustainability, including new ways of working, identification of funding opportunities and fund-raising (including bid-writing), support for good governance, and core support for organisations that are just setting up or are newly established.

Letters and messages received which commented on Strand 1 included the following representative statements:

- “The City Council’s case for change is poor and does not demonstrate either any disadvantages in the current model of support, or demonstrate any advantages in the proposed new model.”
- “The City Council’s proposals represent an individualisation of support service to a sector whose strength is in mutual and collective support, and working in partnership.”
- “Working with consultants is a skill in itself to be able to get the best from limited time and resources. Further, there is a question of choosing the right consultant for our organisation ...”
- “Providers will have no guarantee of work because of the framework so the quality of advice provided and support given would most likely suffer.”
- “Support should be available as and when needed. Often this takes the form of a quick telephone call for advice. A diagnostic process is too heavy handed for such queries and again is likely to discourage take up. It is also not appropriate for urgent issues.”
- “There is nothing in the proposed model around coordinating and helping people/groups make bids for funding – small groups in particular have relied on infrastructure which provides the information about grants and help and support to complete them.”

These statements help illustrate the main concerns and challenges regarding the proposals in Strand 1.

3.6 Strand 1: Support for the city’s VCS – conclusions and future options

The proposals for this first strand were based on the “Changing Futures Fund”, put in place some 18 months ago by Worcestershire County Council as a way of refreshing its relationship with the VCS in its area of jurisdiction. While acknowledging that

Worcestershire is obviously a very different place from Leicester (and their local authority very different from our City Council), the principles appeared sound and adaptable to local circumstances.

However, having tested this out with those who participated in our review, there was virtual unanimity that the proposed model would not suit the needs of Leicester's VCS and that it was not sufficiently workable in terms of an efficient and effective approach. The project team kept a weather eye on how the Worcestershire model had fared in other parts of the country where it had been adopted (to which the answer has to be, that it hasn't fared well). Despite the shortcomings of the proposed model, which became clear early in the consultation, foregrounding that we were considering adopting this approach yielded useful results, in that it helped us identify and understand what it is that the sector needs and values, and to identify local priorities for support, specifically:

- support to enable effective partnership working and collaboration between VCS organisations in the city;
- support to ensure a collective voice for the VCS in the city that enables effective engagement with the City Council and other agencies on policy, service planning, delivery, monitoring and improvement;
- provision of best practice, general advice, guidance and a central point for communication of key messages to the city's VCS;
- provision of direct support with an emphasis on financial sustainability, fund-raising and bid writing, organisational set-up and good governance; and
- some element of choice in relation to how support is delivered.

It is therefore proposed to use the consultation findings to develop more tailored and focused specifications as the basis for tendering. It is proposed that this be packaged as two separate specifications, as follows:

- **Supporting collaboration and a collective voice for the VCS:** A service that focuses on building and maintaining effective channels of communication and consultation between the VCS, City Council and the wider public sector. The service should promote effective partnership working and collaboration between VCS organisations in order to maximise opportunities for leveraging external funding (thereby helping organisations improve their financial sustainability) and enable the VCS to engage effectively in the planning, delivery, monitoring and improvement of services, particularly in taking forward the City Mayor's priorities for Leicester.
- **Provision of guidance, advice and training to VCS organisations:** A service which effectively supports VCS organisations in the city, focusing on support in relation to: financial sustainability; business planning; new ways of working; fund raising and bidding for funding; good governance and organisational set up.

Separating these out as discrete packages of activity (the former related to connected, collective activities; the latter, support to individual VCS organisations) is preferred to a single tender, as it is hoped this would enable a wider range of organisations to bid. Further detail on the proposed procurement approach is set out in section 3.14.

3.7 Strand 2: Engagement to support a cohesive Leicester – consultation findings

This part of the proposal solicited responses on how Leicester City Council can best support a cohesive Leicester. The questions centred on representation and engagement around certain protected characteristics (as defined in the Equality Act 2010). The online survey findings are as follows:

- 80% of respondents agreed that Leicester City Council should support a cohesive Leicester by working with organisations that represent specific communities of interest. All participants answered this question.
- 80% of respondents agreed with the proposed protected characteristics that the approach will cover (i.e. gender reassignment, race, religion or belief, sexual orientation). All participants answered this question.

The survey asked for views on the proposed criteria for successful applicants that would underpin this approach, which respondents answered as shown below:

Criteria	Agree	Disagree	Change / amend	No response
Must be based in the city of Leicester	65%	6%	5%	24%
Activities should be conducted mainly (preferably exclusively) in the city of Leicester	63%	9%	3%	25%
Can demonstrate that its organisational purpose and objectives relate directly to supporting community cohesion and good relations among the communities that make up the city of Leicester	66%	4%	4%	26%
Is an established organisation which has sound governance and operational structures (especially in relation to its financial affairs)	66%	3%	3%	28%
Is signed up to the Leicester Compact and supports and promotes its principles	60%	5%	2%	32%
Is able to define the community of interest which it represents and that community makes up more than 1% of the total population of Leicester based on the 2011 census (i.e. more than 3,298 people)	45%	9%	9%	37%
Can demonstrate the need for this community of interest to be represented. This need should be based on both the	51%	7%	4%	39%

significance of the community in demographic terms and in relation to the issues in which that community is involved, as shown by relevant social and economic indicators				
Can clearly articulate and evidence that it has the support of the majority of the community that it represents	48%	4%	7%	40%
Can demonstrate how the organisational make-up is proportionate and representative of the community of interest to be served.	48%	4%	9%	39%
Can evidence of financial support from any constituent / affiliated organisations that they currently represent (or hoping to represent)	46%	10%	5%	38%
Can prove that the organisation provides equality of access and equality of opportunities to the people it serves	61%	1%	0%	38%
Can prove that it has the capacity and proven ability to facilitate a dialogue across the community they represent and to feedback to the community they represent	57%	2%	2%	39%

This range of responses indicates which criteria need amendment. It is also worth noting that very few respondents actually made their own suggestions for change or amendments even when they selected the change/amend free text field. We take it that they were indicating that they would like some change or amendment to the criterion in question, but were unable or unwilling to recommend specific changes.

From the above results (and from other feedback to the survey) it is clear that the criterion with the least support (in fact, outright opposition in many of the hard copy responses and at the public briefing sessions) is that requiring a community to make up more than 1% of the total population of Leicester based on the 2011 census (i.e. more than 3,298 people) in order to qualify for support in terms of representation and engagement. The rationale behind the lack of support was that this would discriminate against certain groups, which would be clearly counter-productive if the goal is to promote a more cohesive Leicester.

Whilst generally there was strong support for this sort of model, specific comments raised some challenges and concerns, as follows:

- that this approach could cause unnecessary tension and division, fragmenting communities and setting them against each other rather than helping them work

together.

- a number of responses indicated preference for more of an “umbrella group” approach on the protected characteristics rather than this targeted approach, which was often perceived as being unhelpfully narrow in focus;
- the challenge of any single organisation being able to represent a whole community;
- the need to be clear about the sort of evidence expected in relation to the criteria, giving consideration to whether smaller organisations will be able to compete on an equal footing for support;
- identification of other characteristics that respondents would like to see represented – specifically women, mental health, older old (85+) and disability; and
- suggestions to have an area or neighbourhood-based approach in addition to basing it on communities defined by protected characteristics.

Finally, some comments indicated a preference for maintaining the current arrangements, including specific references to work undertaken by TREC.

Headlines regarding Strand 2 from the public briefing sessions are shown below (detailed notes from each meeting, as well as notes compiled thematically across meetings, are available if required):

- concern was expressed over potential for this approach to be divisive in and of itself – why is one group or community funded and supported over another? Leicester City Council has a duty to foster good relations between diverse communities;
- supporting representation and engagement should not be the responsibility of the City Council alone – partners such as the Office of the Police and Crime Commissioner and the Clinical Commissioning Group should also be involved;
- how does the City Council’s relationship with the VCS help fulfil its Public Sector Equality Duty? VCS organisations tend to look to the City Council to do this by itself, rather than seeing themselves as being partners in achieving it;
- concern that only certain protected characteristics are included with particular concern voiced about absence of age (especially the 85+), disability, mental health and women;
- concern that Leicester City Council is switching support from “communities of identity” to “communities of interest” (though it was not clear what the significance of this might be, or whether it would be of positive or negative impact);
- some strong opposition to Leicester City Council funding any kind of faith-based activities, groups or organisations;
- generally positive response that more support might go to previously under-represented groups;
- should Leicester City Council be paying for “representation”? Surely that should arise from within the communities, otherwise danger of it appearing that Leicester City Council is playing favourites – representation and engagement are two different things;
- some preference expressed for area or neighbourhood-based support, rather than concentrating on communities (however they are defined);
- considerable backing for this being a needs-led approach, focusing on the most vulnerable groups and most needy areas in the city;
- umbrella groups were supported by some as being the best means to overcome boundaries between different kinds of groups, for encouraging and enabling such groups to work together and for getting support down to grass roots, smaller

communities who haven't the strength in numbers or influence to obtain support otherwise;

- almost universal rejection of the criterion that organisations applying for support should be able to demonstrate that their community of identity and/or interest constitutes 1% of city population. This was considered divisive and detrimental to the smallest (and by definition most vulnerable) groups or communities – especially so if the City Council would be reducing or withdrawing the kind of support it has to date given to umbrella groups.

Letters and messages received which commented on Strand 2 included the following representative statements:

- “I understand the City Council’s need to review this area of funding as it is unclear the complexity of why some organisations are currently funded; it appears to be on an historical basis rather than community need or outcomes focused. I have listened to colleagues across the sector who have a greater understanding of this area than I. However, I agree with the City Council’s proposals for this area.”
- “It is important that the whole community has access to a voice. Leicester is a rich and diverse cultural city. Often BME groups find it difficult to make their views known and although they sometimes speak out, they are not always listened to. Any local groups need to show they are responsive to the whole of their community and not just those in control or who shout the loudest.”

These statements help illustrate the main concerns and challenges regarding the proposals in Strand 2.

Concerns were also raised in the meetings with SDS and TREC specifically and in other feedback, mainly via letters of support for these organisations, about the potential impact on their individual service users who receive information, advice and guidance from SDS and TREC. In particular, concerns were expressed about the impacts on new arrivals including refugees and asylum seekers.

3.8 Strand 2: Engagement to support a cohesive Leicester – conclusions and future options

In conclusion, the consultation indicated broad support for the overall approach and the focus on the protected characteristics of race, religion or belief and for the community of identity and/or interest of Lesbian, Gay, Bisexual and Transgender (LGBT) people, as these most directly relate to community cohesion and integration in the city (and are not supported in other areas of the City Council’s delivery). There are areas of the proposals which the consultation clearly indicated could be improved on or developed further, including the criteria by which applicant organisations will be considered.

Taking into account the consultation findings, it is recommended that the criteria are amended as follows, requiring that applicant organisations:

- demonstrate an understanding and affiliation with communities in Leicester;
- can demonstrate that they have an established organisational purpose and objectives which relate directly to supporting community cohesion and promoting good relations among Leicester’s diverse communities;
- can evidence that they have sound governance and operational structures and that

they are working to clearly defined standards (especially in relation to their financial affairs);

- are signed up to the Leicester Compact and support and promote its principles;
- are able to define and demonstrate a robust and evidence based understanding of the community of identity and/or interest which they represent within the city;
- are able to identify and evidence the needs of the community of identity and/or interest which they represent in the city and can demonstrate that they understand the nature and scale of those needs as shown by relevant data including social and economic indicators, and other appropriate evidence;
- can prove they have capacity, established mechanisms and proven ability to facilitate effective dialogue across the community they represent, and also to feedback to the community they represent;
- can demonstrate credibility and buy-in from the community of identity and/or interest which they represent;
- can demonstrate that their organisational make-up and public mission are proportionate and representative of the community they represent; and
- can prove that they provide equality of access and equality of opportunities to the people they serve.

In light of the feedback regarding concerns that the approach itself is potentially divisive, that it does not recognise the interaction between protected characteristics, and that it lacks focus on needs and key vulnerabilities, it is proposed that:

- applicants should be required to show that they can address appropriately the range of protected characteristics defined in the Equality Act 2010 (i.e. age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation) in the context of their own community of identity and/or interest;
- applicants are required to show that they are willing and able to collaborate with other relevant organisations to help support appropriate engagement among different communities of identity and/or interest on matters of common interest (e.g. by helping organise and support inter-faith events and multicultural activities);
- applicants should be clear about how their organisation is able to support the City Mayor's nine-point delivery plan for Leicester within the scope of their contract;
- applicants should be required to support the City Council in engaging with their community of identity and/or interest on relevant key issues and areas of need, particularly those on which the City Council has made specific commitments (e.g. mental health, child poverty, helping new arrivals adapt to living in the city); and
- applicants should be active, collaborative and constructive co-workers with the City Council (and with each other) in helping the City Council meet its Public Sector Equality Duty.

It is also recommended that the two protected characteristics of "gender reassignment" and "sexual orientation" be subsumed into "LGBT" (as a community of interest and/or identity) for the purposes of this proposed strand of support.

In relation to other protected characteristics not included within scope of this review, a number of actions are recommended:

- that the Older People's Forum reviews the extent to which it is representative of the "older old" (85+);

- that the City Council takes into account how it engages with organisations working in the field of mental health including VCS organisations who work with and support individuals with mental health conditions; and
- that the City Council is mindful of stressing how VCS organisations included in other streams of funding and support (e.g. Adult Social Care) can contribute to fulfilment of its Public Sector Equality Duty.

3.9 Strand 3: Support for volunteering in the city – consultation findings

This part of the proposal solicited responses on how Leicester City Council can best support volunteering in the city. The survey asked respondents to select their top two priorities for support in relation to volunteering:

- Only 55 responses were submitted for this section, with 77 respondents not answering this question;
- “Matching volunteers to opportunities” and “Good practice in relation to using volunteers” achieved the highest proportion of responses (27 and 24 respectively) followed by developing and marketing of volunteering opportunities (18 and 17 respectively);
- Policy development in relation to volunteering and strategic development of volunteering received the smallest number of responses; and
- 3 respondents indicated it was irrelevant to them as their organisation did not use volunteers.

In conclusion, no one option stood out very strongly and as less than 45% of the respondents to the survey offered their comments in this part of the survey, it is difficult to reach a consensus conclusion.

The proposal suggested three options for how Leicester City Council might support volunteering in the city:

- 73 of the 136 respondents did not provide a response in this section;
- 22 responses supported a one-stop-shop;
- 34 responses supported a separate brokerage from support services; and
- 7 responses supported an alternative option, but none of these 7 specified in the free text field what that alternative option might be.

Again, given the relatively low response rate to this question it is difficult to reach a strong conclusion.

Common themes arising from other feedback in the survey related to Strand 3 were:

- more recognition for volunteers (e.g. some form of qualification / accreditation, better supervision of volunteers, payment of expenses);
- model policies regarding volunteering available online as templates for organisations to use;
- greater flexibility in delivering a service to support volunteers (e.g. recognising that volunteering is often done in unsociable hours);
- support to involve volunteers with additional needs;
- support for training, skills development and DBS checks of volunteers;
- a free, easy-to-use online approach to registering volunteer opportunities and

matching interested applicants;

- distinguishing between different categories of volunteers (e.g. those interested in joining a trustee board and those interested in service delivery); and
- more localised approach (e.g. localised advertising, localised support) to recruiting volunteers through local housing offices for example.

Headlines regarding Strand 3 from the public briefing sessions are shown below (detailed notes from each meeting, as well as notes compiled thematically across meetings, are available for the Executive if required);

- preference for a one-stop shop option;
- structure that enables transferable skills on core common elements for volunteers (e.g. health and safety, safeguarding, first aid, equal opportunities, boundaries and communications) – volunteers could be given a passport enabling them to step into volunteering roles at other organisations quickly, smoothly and securely;
- certain organisations (e.g. LAMP) provide a very specific, targeted sort of training for their volunteers, which is not available from generic centres such as VAL;
- volunteers' desire for sense of direction needs to be recognised, including offering volunteering as a route into (or back into) employment;
- importance of distinguishing between different types of volunteering and specifically the need for volunteers to serve as Trustees and Board members; and
- mixed response to VAL's performance in relation to advertising for, recruiting, managing and retaining volunteers.

Letters and messages received which commented on this strand included the following representative statements:

- “No arguments or evidence is put forward for why the current service model is not meeting the volunteering needs of those who use it.”
- “It monetises and individualises a service that is much stronger for the fact that it is currently universal, direct access and free at the point of use.”
- “We are convinced that the City Council's model for support to the VCS, and its Option 2 for support for volunteering, would be highly damaging to the ability of the VCS to support the City Council and serve the community of Leicester.”
- “I do not agree with splitting the brokering of volunteering placements with the development of the VCS to provide volunteering opportunities. I feel they go hand in hand. I would also suggest that the current arrangements appear to be meeting everyone's needs. We have a clear central base for potential volunteers to access information and advice on volunteering, the current arrangements also offer online access to volunteering opportunities and provides support for VCS organisations as well as volunteers.”
- “My question is why change what is working very well indeed? It simply doesn't make sense.”
- “I am of the opinion that should the City Council choose to split the current contract and go ahead with the proposed model for support to the VCS, and its option 2 for support for volunteering, this would be highly damaging not only to the VCS but also the Public Sector.”

These statements help illustrate the main concerns and challenges regarding the proposals in Strand 3.

It should also be noted that consideration was given to the “Cities of Service” model for encouraging and managing volunteering. This model, developed in New York City under Mayor Michael Bloomberg, has been taken up in more than 70 cities across the USA and is in the process of being trialled in the UK under Nesta, the Cabinet Office and the Bloomberg Foundation. After due deliberation, it was decided that the Cities of Service model would not fit in Leicester (although useful learning was obtained from having considered it). Details of this model (and reasons why it was rejected) can be provided to the Executive if required.

3.10 Strand 3 - Support for volunteering in the city – future options

In summary, there is no strong consensus from the consultation about the preferred option for supporting volunteering in the city. However common themes have emerged which any future approach to this strand should take into account:

- giving something back to volunteers: a desire to have some form of accreditation for volunteers that helps recognise the skills and development they have gained from volunteering, and that also enables transferrable skills on core common elements to be recognised (e.g. health and safety, safeguarding, first aid, equal opportunities, boundaries and communications) and enables them to step into volunteering roles at other organisations quickly, smoothly and securely;
- making it easier and more efficient for organisations to recruit and manage volunteers through central provision of the common core training (e.g. health and safety, safeguarding), online versions of policies that can be adapted accordingly, and a centralised approach to DBS checks, combined with a simple online approach to brokerage;
- acknowledging the different types of volunteers and more explicitly supporting the recruitment of those with appropriate skills to serve as Board members and Trustees; and
- overall recognition of the importance of volunteering to meet a range of objectives, including specifically as a route into employment and also to support health and wellbeing (e.g. to help those who are more vulnerable as a result of mental health conditions).

It is proposed that the above is reflected in a tendering process for an organisation to deliver a one-stop-shop service, recruiting, developing, retaining and managing volunteers, matching them to appropriate opportunities and supporting the agencies, groups and organisations that use them.

3.11 Future funding allocation

The current budget (excluding partner contributions) is £582,200. During the review it was made clear that savings would need to be made on this budget and it was suggested that these could be in the region of 20–25%. A total future budget of around £450,000 could be disbursed among VCS organisations delivering commissioned services resulting from this review.

In considering the outcome of the consultation it is proposed that the future funding allocations across the three strands will be in the following indicative funding ranges:

- Strand 1a Partnership working and collaboration: £40,000 - £60,000;
- Strand 1b Support for the city's VCS: £100,000 - £160,000;
- Strand 2 Engagement to support a cohesive Leicester: £150,000 - £200,000;
- Strand 3 Support for volunteering in the city: £60,000 - £100,000.

The indicative maximum funding allocation would be £450,000. The procurement stage of the review will inform the final funding allocation for each of these strands. In recognition that further flexibility may be necessary, these are indicative funding allocations; consequently the City Council will not be bound by these minimum or maximum figures.

It is proposed that future contracts will be of two years duration with the option for a further year (i.e. to end of September 2016 with the option of a further year to end of September 2017). This is considered reasonable in providing some stability and continuity whilst maintaining a degree of flexibility, given that there remain major uncertainties about the City Council's revenue funding beyond the next 12 months.

In section 3.13 below the report outlines the position in relation to the OPCC and Leicester City CCG. We need both of them to be prepared to commit funding for the proposed contract period in order to be able to proceed collaboratively.

3.12 Equality (and other) implications of the changes

In considering the future approach it is important to outline the implications of these proposed changes. This section of the report covers implications regarding current providers, equality implications, and implications in terms of the Social Value Act.

3.12.1 Existing providers – financial implications

The providers of the current model (who will soon be decommissioned) will be financially disadvantaged by closure of the contracts. A fiscal review of their reliance on Leicester City Council contracts outlines that three organisations derive more than 50% of their funding from the in-scope budget of this review. The other five organisations appear less dependent on the funding, although the percentage decrease is substantial for all providers:

Organisation	Total funds (restricted and unrestricted)	LEICESTER CITY COUNCIL contribution from budget in scope of review	% of total income which is provided by LEICESTER CITY COUNCIL from in-scope budget
ACCF	£82,897	£43,100	52%
FMO	£98,550	£25,000	25%
GHA	£47,462	£30,000	63%
LCoF	£31,323	£25,000	80%
TREC	£ 338,801	£117,800	35%
SDS	£188,350	£45,400	24%

VAL	£3,291,491	£ 391,212	12%
	total	£677,512	
	Less partner contributions	<u>-£ 95,312</u>	
		<u>£ 582,200</u>	

The figures in the table are taken from the latest set of accounts available at the time of the review eg those reported at the organisation's AGM and / or published on the Charities Commission website. In all cases these relate to the financial year ending 31st March 2013. It should of course be made clear that the total funds available to any of these organisations can vary year on year dependent on the nature of the other income they receive which will often be time limited. This therefore is simply indicative at a specific point in time and may not reflect their current financial position.

3.12.2 Equality implications

Attached to this report as Appendices 3 and 4 are the Equality Impact Assessments (EIAs) in relation to the proposals.

The EIA at Appendix 3 covers Strands 1 and 3 of the review (i.e. support for the VCS and for volunteering in the city). The scope of both these areas currently falls under the existing contract with VAL. The EIA outlines the equality profile of existing service users according to monitoring information provided by VAL under their existing contract. The main equality implications raised during the consultation in relation to the proposals as they were put forward, were:

- lack of engagement and support for BME groups specifically including reference to TREC's hosting of the Racial Minority Assembly for BME VCS organisations; and
- greater representation of organisations which focus on mental health (this despite the fact that none of the organisations in scope of this review expressly address mental health nor do any of them serve client groups directly identified with its issues).

VAL currently identifies 38% of the VCS organisations on its database as BME-led and 3% of the VCS organisations on its database as focusing on mental health. In relation to the profile of groups they supported in 2012/13, BME-led groups made up less than 38%, while mental health focused groups made up more than 3%.

The revised proposals support partnership working and collaboration. If there is a need for it, this could include partnership working and collaboration between groups who have commonalities in terms of the area they work in and/or the beneficiaries of this service including mental health and BME-led VCS organisations.

The EIA proposes that other potential negative impacts can be managed by ensuring that the future specification requires the service to be representative of the profile of VCS groups in the city, and that the City Council continues to monitor the profile of VCS organisations which take up the service, so that appropriate and timely adjustments can be made.

There were no evident equality implications arising in relation to Strand 3 (Support for volunteering in the city). However it is important to note that the current service user profile in relation to volunteering in the EIA shows a high proportion of volunteering

enquiries are from the BME community (higher than the ethnicity profile for the city as a whole). Similarly, a high proportion of enquiries are from the under-25 age group. This finding is not surprising, inasmuch as volunteering is widely considered a route to employment for young people. It will be important to monitor the equalities profile of service users of any future service.

The EIA at Appendix 4 covers Strand 2 of the review (i.e. Engagement to support a cohesive Leicester). Within scope of the review are contracts with the African Caribbean Citizens Forum (ACCF), Federation of Muslim Organisations (FMO), Gujurat Hindu Association (GHA), Leicester Council of Faiths (LCoF), Somali Developments Service (SDS) and The Race Equality Centre (TREC). These six organisations work collaboratively with others representing communities of interest/identity in the protected characteristics of religion or belief and/or race.

The scope of the review excludes proposals relating to future provision of information, advice and guidance services for individual service users. Currently both SDS and TREC in particular have brought our attention to ways in which they undertake this activity as an element of their existing contracts, both claiming that they, as specialists, are providing information, advice and guidance to people whose needs are not being met by generalist services, such as Citizens Advice Bureau (CAB).

The EIA provides information on the profile of service users at SDS and TREC in 2012/13. In summary, that year SDS reported a total of 1,733 visits to their drop-in service, of which the largest single part related to advice about benefits (41%). The majority (85%) of these enquiries were from people identified as members of the Somali community, the rest from Eastern European communities (Slovak, Czech and Roma users of this service being explicitly identified). In that same period, TREC supported 42 individuals in relation to complaints of racial discrimination, and 102 new arrivals who had been granted refugee status.

In the consultation on the proposals for Strand 2, stakeholders identified a number of positive equality implications relating to the proposals, including the following:

- general agreement that this is a fair and transparent approach;
- potential to use the approach positively to celebrate diversity and share achievements of communities; and
- importance of doing the review given that the needs of communities and the profile of communities in the city have changed in recent years.

In the consultation on the proposals for Strand 2, stakeholders also identified a number of negative equality implications including:

- concern that this approach could, despite its stated intention, achieve the opposite of cohesion, causing unnecessary tension and division, fragmenting communities and setting them against each other rather than helping them work together. Leicester City Council has a duty to foster good relations between diverse communities and these proposals may well do the reverse;
- identification of other characteristics that respondents would like to see represented, specifically age (especially the 85+), disability, mental health and women;
- considerable support for this being a needs-led approach, focusing on the most

vulnerable groups and most needy areas; and

- almost universal rejection of the criterion that organisations applying for support should be able to demonstrate that their community of identity and/or interest constitutes 1% of city population. This was considered divisive and detrimental to the smallest (and by definition most vulnerable) groups or communities – especially if the City Council would be reducing or withdrawing the kind of support it has to date given to umbrella groups.

The revised proposals respond to these concerns by:

- removing the criterion requiring the community of identity and/or interest to be represented to be at least 1% of the city's population;
- requiring applicants to show that they can address appropriately the range of protected characteristics defined in the Equality Act 2010 (i.e. age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation) in context of their own community of identity and/or interest;
- requiring applicants to show that they are willing and able to collaborate with other relevant organisations to help support appropriate engagement among different communities of identity and/or interest on matters of common interest (e.g. by helping organise and support inter-faith events and multicultural activities);
- requiring applicants to give appropriate support for the City Mayor's nine-point delivery plan for Leicester; and
- requiring applicants to support the City Council in engaging with their community of identity and/or interest on relevant key issues and areas of need, particularly those on which the City Council has made specific commitments (e.g. mental health, child poverty, helping new arrivals adapt to living in the city).
- Requiring applicants to be active, collaborative and constructive co-workers with the City Council (and with each other) in helping the City Council meet its Public Sector Equality Duty.

In relation to other protected characteristics not included in these proposals, a number of actions are proposed:

- that the Older People's Forum reviews the extent to which it is representative of the older old (85+);
- that the City Council takes into account how it engages with organisations working in the field of mental health including VCS organisations who work with and support individuals with mental health conditions; and
- that the City Council is mindful of stressing how VCS organisations included in other streams of funding and support (e.g. Adult Social Care) can contribute to fulfilment of its Public Sector Equality Duty.

In the consultation on proposals for Strand 2, stakeholders (and the two organisations themselves) identified specific equality implications in relation to services provided by TREC and SDS, specifically impacts on:

- new arrivals and refugees granted leave to remain in the UK, who receive information, advice and guidance from TREC;
- individuals in the community who receive information, advice and guidance from SDS; and

- individuals receiving support and advice from TREC with regard to discrimination and harassment on the basis of race.

The project team have undertaken further work on these areas of concern and can confirm that comparable alternative provision does exist to support individuals who currently use these services:

- The City Council contracts Citizens Advice Bureau (CAB) to provide free, independent, impartial, confidential support and advice on a variety of topics. This includes welfare matters such as benefits, housing, employment, immigration, community care and family issues on a face-to-face basis, by phone or through their website. CAB also provides outreach sessions in ten priority wards in the city. The service provides three levels of information and advice:
 - Tier 1 (assisted information and signposting);
 - Tier 2 (general advice and general advice with casework);
 - Tier 3 (specialist advice for high level needs).

In Quarter 3 of 2013/14, 2% of CAB's work related to immigration. The service also provides support on issues of discrimination (e.g. in relation to employment, health care, education, housing etc). This is intended to cover all grounds on which unlawful discrimination could occur, including race. Also in quarter 3, CAB supported 246 people of Black African heritage including people of Somali origin (6% of CAB's clients in Q3). CAB can draw on a pool of volunteers proficient in as many as 40 different languages, so is able to deal with access issues relating to interpretation and translation. Currently CAB has capacity to do more and is under-providing against its expected outcomes.

- It should be noted that the City Council also has contracts with a number of organisations to provide welfare support and advice to more specific client groups. This includes:
 - Mosaic, which provides general help services for people with disabilities, on welfare benefits matters and provides information relating to other areas of welfare law. In particular, Mosaic's service focuses on ensuring that disabled people take up their benefit entitlements and provides assistance with completion of claim forms.
 - Age UK, which provides advice on all areas of welfare law with the exception of Immigration Services, for older people (55+) and their carers.
 - Soldiers, Sailors, Airmen and Families Association (SSAFA), which works with service and ex-service personnel and their dependants living in Leicester, in order to relieve the need and suffering of distress by obtaining financial assistance from armed forces and other relevant charities and, where appropriate, providing information on rights and entitlements at the Community Legal Service's "Assisted Information" level. Home visits will be arranged where necessary to provide these services. Signposting to other appropriate agencies is a key feature of the service.
 - VISTA, which provides information, advice and guidance for those with visual/sensory loss.
- In relation to race discrimination, other services exist within the city (in addition to CAB) and nationally, ranging from support for victims of hate crime through to

support for potential discrimination in access to goods and services, for example:

- Equalities and Human Rights Commission;
 - Community Legal Advice;
 - ACAS;
 - Other services have independent, national bodies for dealing with specific complaints, such as the Independent Police Complaints Commission, School Governing Bodies, NHS Complaints Independent Advocacy Service;
 - Victim Support are contracted, via Leicester City Council, to provide emotional support to victims and witnesses of hate incidents;
 - Leicester's Anti-Social Behaviour Unit (within the City Council itself) investigates hate incidents;
 - Leicestershire Police have a dedicated hate crime officer;
 - Prevent Co-ordinator based at St Philip's Centre focuses on more extremist issues; and
 - Leicester Centre for Hate Studies has been established at the University of Leicester following an extensive hate crime project run there over recent years.
- Asylum seekers who have not been granted leave to remain can access support from Leicester City of Sanctuary, which is currently working with more than 600 asylum seekers at different stages of the application process and a further 400 destitute asylum seekers. Leicester City of Sanctuary is a relatively small, under-resourced volunteer-run organisation which relies on support from others, such as Leicester Diocese, which hosts the weekly drop-in service and English language class at St Martin's House. TREC provides Leicester City of Sanctuary with accommodation and office facilities (e.g. PC, printing, photocopying) for its New Evidence Search Team (NEST). This is where NEST meets clients to discuss their cases and pursue discovery of new evidence (which is necessary in making new submissions). Leicester City of Sanctuary is able to access the same facilities (on a smaller scale and evenings only) at the offices of AA Law at Pilgrim House, 10 Bishop Street, Town Hall Square.

The potential effects on asylum seekers and refugees of changes in the City Council's support for these VCS organisations (particularly SDS and TREC) emerged strongly from the beginning of the public consultation period. With this in mind, special efforts have been made to ensure that these vulnerable groups do not bear an unnecessary burden in the outcome of the review.

Taking all of the above into account, our investigations confirm that alternative provision does exist for those individuals currently obtaining information, advice and guidance from SDS and TREC. The City Council must ensure by such means as closer monitoring and regular engagement that agencies such as CAB are able to deliver their services to an acceptable standard for all potential client groups and service users, no matter the barriers to access that may prevent this at present. However it should be recognised that new arrivals to the city (particularly those who fetch up here as refugees and asylum seekers) can experience barriers to accessing goods and services. In particular they are less likely to trust certain organisations (especially the "institutional" kind) and more likely to seek help other from organisations whose "brand" they recognise (as serving their own community, for example) or whom they have learnt about by word of mouth. Therefore they might find accessing an organisation such as CAB more challenging – at least initially. It is proposed,

therefore, that:

- the City Council procure a service (for a period of not more than two years), which will focus on engaging and working with other organisations and volunteers, to develop a sustainable network of support for new arrivals in the city (particularly asylum seekers and refugees) and to build up expertise and knowledge of other organisations such as Citizens Advice Bureau (CAB) during a transition period, so that new arrivals are better able to access goods and services; and
- funding for this will be tapered over the two years starting in the range of £20-40k and leading to £10-20k in year two. The funding will come from the existing total budget envelope.

3.12.3 Social Value Act

In addition to the equality implications, the review and any pre-procurement considerations need to take into account the Public Services (Social Value) Act 2012. Specifically this relates to how what is proposed to be procured might improve the economic, social and environmental well-being of the city and how, in conducting the process of procurement, the City Council might secure that improvement.

Our original proposals for the review emphasised the City Council's policy position in terms of recognising the importance of the VCS as a key partner and that we want to support and enable the VCS to respond to local needs and aspirations, achieve local priorities and make an effective contribution as the City Council's strategic and service delivery partner. In accordance with the themes set out in the City Mayor's Delivery Plan, we have made clear just where the VCS plays a key role. This emphasises the role that the sector plays in the context of a range of aspects of economic, social and environmental well-being, for example:

- Economic – the VCS contributes, through its inherent value as a sector, to the local economy in terms of provision of employment, development of skills and leveraging of external funding from outside the city. In addition, volunteering plays a key role in the local economy, as a route to supporting people into employment and in developing skills.
- Environmental – VCS organisations actively contribute to protection and enhancement of the natural and built environment (e.g. through community groups and conservation organisations).
- Social – the VCS helps in building and supporting resilient communities through the activities it undertakes; it also supports communities to be involved in decision-making and helps promote community cohesion, thereby reducing inequalities and ensuring fairer treatment.

The proposals contained in this review recognise the value that the sector brings in terms of economic, social and environmental well-being across the city. The proposals seek to ensure that VCS organisations continue to do so in line with the City Council's priorities across these three key areas.

In addition, during the consultation some of the implications recognised and taken into account in the final proposals directly relate to mitigating against negative impact from a social value perspective. For example, concern that the proposals may impact on the ability of the sector to work collaboratively to leverage significant funding into the

city from other sources has been taken into account, putting support for collaborative working among VCS organisations into the revised recommendations. There were also concerns about the ability of smaller VCS organisations accessing support as outlined in the proposals. Once again, the changes directly address these concerns, supporting diversity of supply across the VCS.

As part of the procurement process we will seek in the specification to be as explicit as possible regarding the contribution of the services to be commissioned to economic, social and environmental well-being.

3.12.4 Fairness of the proposals

The survey's final question was about the fairness of the proposals. Within the responses to this question were comments that expressed surprise that the review should be happening at all – or for any other reason than to reduce City Council expenditure, lumping the review in with “the Cuts”. The majority of respondents did not recognise the system or service as being so dysfunctional or unacceptable that it should be subject to this degree of reform. As well as there being a considerable number of responses along the line, “If it ain't broke, don't fix it”, emphasis was also put on the role of Leicester City Council in improving its monitoring regime and communication with the VCS organisations it currently supports.

A few of the comments in relation to this final question – positive and negative – are shown below. It is hoped that these offer a fair reflection of the opinions expressed:

- “I agree that the people with the most urgent and less well-off needs should be given priority over those with lesser or minor needs who do have options of meeting their needs in other ways.”
- “I strongly believe the proposals to be unfair and if implemented will have a detrimental effect on the ongoing viability particularly of smaller, specialist local VCS groups.”
- “Of particular concern is mental health which is supposed to be a strategic priority, and yet there will be no effective means of involving the local VCS in the planning and delivery of services nor of supporting the VCS to provide a much needed service user voice.”
- “I think, these proposals are not fair as some of these proposals are excluding small groups or communities. These proposals are highly ambitious. Some of selection criteria are bit confusing and might be controversial.”
- “I feel that organisations that make the most difference are often most disorganised and shouldn't be overlooked.”
- “It's an interesting model, but by putting choice at the heart of the group support function, and possibly dividing the volunteering service into two, there is a loss of economy of scale and joined-upness which Leicester and Leicestershire have championed for years to create; and that approach much of the rest of the country is still striving for, so from that point of view, to dismantle it seems quite a radical free market approach.”
- “No don't agree from what I understand of proposals – would need to review a more comprehensive grant/tender spec to feel I could properly comment on this.”
- “No, as the levels of support services are likely to be significantly reduced and worse, some communities are likely to end up with no access to any such service!”

- “The proposal must be matched with low cost administration/contract compliance by the Council. It must also overarch all council departments since the VCS delivers across all areas of the Council's work. There is some back office work that will simplify the needs that could be centralised – for example sourcing cheap insurance for the VCSE and the Council to review levels of indemnity required for contracts with different types of liability risks.”
- “The resources should go to those who are able to make the most difference to their community.”
- “These proposals are not inclusive and exclude the most vulnerable in society such as the elderly and women. It is not enough to say that these groups are being represented by other organisations. Unfortunately that is not the way grass root organisations operate, they work with families, which includes the elderly, women, disabled and provide a package of services that impact on family members. You cannot isolate these proposals from other initiatives.”
- “This is a very welcome proposal as all the money to date has been sucked into one large organisation that does not have the support of the wider VCS. In this way you would cut out the hugely expensive and ineffectual organisation that does not at the moment reach the grass roots, or give sound advice or support and spread both the money available and offer really targeted support.”
- “This is ridiculous, these proposals are ill thought out, badly managed with no real thought to the service users who will be affected.”
- “Yes. Equal distribution of funds to all valid organisations – and a capped one too. Let all the Charities/Social Enterprises then compete and prove that they are capable to deliver or live within the means of the fair share of funding.”
- “You have to look at the population of the city broken down into demographics and the work of these organisations to not just cater for their own communities, but also how their work will benefit other communities too.”

3.13 Working with partner organisations

Currently Leicestershire Police and Leicester City CCG contribute £10,000 and £85,312 respectively to the services which are commissioned by Leicester City Council from VAL. During the review the Project Director met with representatives from Leicestershire Police, the Office of the Police and Crime Commissioner (OPCC) and Leicester City CCG to share the proposals and to determine if they wished to collaborate in future.

The OPCC has confirmed that it will continue to allocate £10,000 to any future arrangements provided the following objectives can be met:

- an organisation or governance structure with strong representation from the local VCS to represent the sector at OPCC forums, meetings and commissioning processes such as the Police and Crime Plan Steering Group;
- supporting organisations with applications to the OPCC for funding including support for collaborative funding bids / tenders; and
- ensuring close links between the VCS and PCC's Volunteer Project Team to support the development of volunteering.

Leicester City CCG has confirmed that it will continue to provide support until 31 March 2015 but that they intend to review in 2014/15 how they want to engage with the VCS

and support its development from a Leicester CCG perspective. The actual level of funding it will provide is still to be determined. Leicester City CCG's objectives are as follows:

- supporting voluntary sector organisations effectively in areas such as procurement, fundraising etc; and
- supporting volunteering with a particular focus on encouraging volunteers to work with older people to reduce social isolation and support healthy living.

In conclusion, it is proposed that the requirements of both OPCC and Leicester City CCG can be readily included within the revised future approach. However we need both OPCC and Leicester City CCG to be prepared to commit funding for the proposed contract period in order to be able to proceed collaboratively.

In addition, we met with representatives from Leicestershire County Council during the review so that they understood our proposed direction and whether this had any implications for their current arrangements and future direction of travel.

3.14 Next steps

The following next steps are proposed in relation to the decision making process:

- 29th April - letter emailed to existing providers updating them and including a copy of the report and follow up phone call, and notifying them of the proposed change to the termination of existing contracts (see below)
- 29th April - communication to wider VCS and press release
- 29th April - circulation of papers for NS&CI Scrutiny Commission
- 8th May - meeting of NS&CI Scrutiny Commission
- w/c 12th May – consideration by Executive of comments raised by NS&CI Scrutiny Commission
- w/c 19th May - notice of intent to take a decision
- w/c 26th May - publication of decision

Following the decision the outline timetable is proposed to be:

- 1 June – ITT published
- Mid-July – deadline for tenders
- Mid-July – issue notice to current providers
- Mid-July – end of August – tender evaluation
- September – implementation
- 1 October – new contracts commence

It is proposed that the services under Strand 1 and Strand 3 are run as a single procurement exercise with the services packaged as lots, so that bidders may bid for one or more services within these strands.

The approach under Strand 2 would run as a separate procurement process using the criteria proposed in the report as the basis. Whilst it was initially proposed that this would be a grant-funded approach, further advice from both legal services and procurement are that this should be run as a procurement process. This would ensure

a robust service contract can be put in place with each of the successful bidders and would also safeguard against any concerns regarding potential breaches of the procurement legislation and our Council procedure rules given the totality of the funding allocation which is proposed for this strand. The criteria can continue to form the basis of this procurement approach.

Finally there would be a procurement process for a service to develop a sustainable network of support for new arrivals.

The existing contracts run until 31 March 2014. It was previously agreed, in principle, that there would be an extension until 30 June 2014. In light of the above timeline it is proposed that a full six months extension is needed and that contracts are extended until 30 September 2014. New contracts should be in place to start immediately after that, on 1 October 2014.

4. Details of Scrutiny

The Neighbourhood Services and Community Involvement Scrutiny Commission was provided with a report on the proposals during the consultation period and invited to comment. This was considered at their meeting on 4 December 2013. It was agreed at that meeting that the findings of the consultation would be taken back to the Commission when ready.

5. Financial, legal and other implications

5.1 Financial implications

The current budget is £582,200. This is allocated entirely across contracts with the following organisations which have been extended until 30 June 2014.

The nature of the contracts and scope of the services provided varies with some providing infrastructure (or group) type support to the sector and others focused more on a role relating to representation and engagement.

Contract	Budget p.a.	Contract type
African Caribbean Citizens Forum	£43,100	Funding Agreement
Federation of Muslim Organisations	£25,000	Funding Agreement
Gujarat Hindu Association	£30,000	Funding Agreement
Leicester Council of Faiths	£25,000	Funding Agreement

Somali Development Service	£45,400	Service Agreement
The Race Equality Centre	£117,800	Service Agreement
Voluntary Action Leicestershire Plus £95,312 from partners – Police £10k and PCT £85,312	£295,900	Service Agreement
Total	£582,200	

There are no previously agreed savings required to be delivered from this budget, however the review is included in the Council savings review programme. The report considered by the Neighbourhood Services and Community Involvement Commission on 4th December 2013 gave the estimated savings as £132,200 (23% of the current budget). This is reflected in the proposals in this report, where the indicative maximum funding allocation for the new strands is £450,000, which is £132,200 below the current budget.

Colin Sharpe, Head of Finance. Ext. 37 4081.

5.2 Legal implications

The report details the outcome of public consultation in respect of the Council's review of support to the VCS, and recommends various approvals by the Executive as set out in paragraph 2 above.

Officers have been advised during the review and consultation process with regard to the Council's duties under public law, public sector equality, and the Public Services (Social Value) Act 2012, and with regard to contracts and public procurement.

The Executive must have regard to its public sector duty under s149 Equality Act 2010 to have regard to the need to eliminate unlawful discrimination etc. and advance equality of opportunity between different groups. The report author has referred to the impact assessments in the main report.

If the recommendations are approved, legal services will continue to advise in relation to contract and public procurement law. In general terms, any procurement must follow the Council's Contract Procedure Rules and any applicable EU legislation.

Beena Adatia – Principal Solicitor (Commercial, Contracts and Capital). Ext. 37 1417.

5.3 Climate Change and Carbon Reduction implications

There are no significant climate change implications arising from this report.

Duncan Bell, Senior Environmental Consultant, Environment Team. Ext. 37 2249.

5.4 Equality Impact Assessment

The main underlying equality objective of the report is for the council to support the VCS so that it in turn, is able to support local people in participating in community life. This inclusive approach covers all protected characteristics.

The intended positive impact of the proposals is that they seek to facilitate opportunities for the VCS to effectively engage with local people so that their activities benefit their life in the city. The proposals include opportunities for different forms of engagement, from communicating understanding about community needs through to supporting volunteering.

The main negative impact of the proposals is that they represent change to current levels of resources supporting the VCS. Consultation highlighted concern with the potential impact on BME groups (race) and organisations involved in mental health (disability). The report details a range of mitigating impacts proposed to address the negative impacts identified.

Irene Kszyk, Corporate Equalities Lead. Ext. 37 4147.

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

6. Background information and other papers:

7. Summary of appendices:

Appendix 1 – Consultation proposals and questions

Appendix 2 – Citizen Space report

Appendix 3 – EIA – support to VCS and support for volunteering

Appendix 4 – EIA – engagement to support a cohesive Leicester

Appendix 5 – List of organisations responding to the consultation

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”?

Yes

10. If a key decision please explain reason

The decision will impact on communities living in all wards across the city.

In determining whether it is a key decision you will need consider if it is likely:

- to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council’s budget for the service or function to which the decision relates.
- to be significant in terms of its effects on communities living or working *in two or more wards in the city*.

Expenditure or savings will be regarded as significant if:

- (a) In the case of additional recurrent revenue expenditure, it is not included in the approved revenue budget, and would cost in excess of £0.5m p.a.;
- (b) In the case of reductions in recurrent revenue expenditure, the provision is not included in the approved revenue budget, and savings of over £0.5m p.a. would be achieved;
- (c) In the case of one off or capital expenditure, spending of over £1m is to be committed on a scheme that has not been specifically authorised by Council.

In deciding whether a decision is significant you need to take into account:

- Whether the decision may incur a significant social, economic or environmental risk.
- The likely extent of the impact of the decision both within and outside of the city.
- The extent to which the decision is likely to result in substantial public interest.
- The existence of significant communities of interest that cannot be defined spatially.