

# Report to Scrutiny Commission

Neighbourhood Services and Community  
Involvement

Date of Commission meeting: 9th March 2015

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## **Working with the city's Voluntary and Community Sector (VCS) to support engagement with communities – update**

Report of the Director of Delivery, Communications and  
Political Governance

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## Useful information

- Ward(s) affected: All
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- Report version number: 0.1

### 1. Summary

This report provides an update to scrutiny on the Voluntary and Community Sector (VCS) review to support engagement with communities. It confirms the position in relation to previous decisions that were taken as part of the review to date and sets out the approach and anticipated timescales for concluding the review. This report reflects the recent decision taken by the City Mayor in January 2015 about this review.

### 2. Recommendations

The Neighbourhood Services and Community Involvement Scrutiny Commission are recommended to note the update and are invited to feed in their views to the further consultation activity.

### 3. Supporting information:

#### 3.1 Existing arrangements

The City Council has contracts or agreements with a number of organisations as follows:

- 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 focus of these contracts or agreements is to support representation of, and strengthen engagement with, communities in Leicester (either with specific communities of identity or with communities who share a protected characteristic), and to act as a point of contact between communities and the City Council in order to support cohesion and integration. The organisations concerned have either a focus on a specific community of identity (e.g. Somali, Muslim, Gujurat Hindu, African heritage) or act as an umbrella organisation working across one of the protected characteristics as a whole (e.g. race; religion or belief). 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 (not precluding their collaborating with other organisations which are themselves involved with different protected characteristics, where appropriate).

The agreements with SDS and TREC also include them working directly with individual service users to provide information, advice and guidance. For SDS this involves signposting to mainstream services and support with issues such as benefits and form filling, for not only members of the Somali community, but also, increasingly, for individuals from Eastern European countries. For TREC this work covers support for new arrivals granted refugee status and individuals seeking assistance regarding complaints of racial discrimination or harassment.

### **3.2 Review to date**

The existing contracts / agreements have been the subject of a review which commenced in 2013. This review led to a key decision being taken by the City Mayor on 27 May 2014 relating to the future commissioning approach which was informed by a 12-week consultation that took place between October 2013 and January 2014. This decision was subject to the City Council's "call-in" procedure and subsequently, following the call-in, the City Mayor reaffirmed the decision in a letter to the Chair of Overview Select Committee dated 30 July 2014.

A tender process commenced on 17 July 2014 with the publication of invitations to tender for five specific services as follows:

- Strand 1a (TAN148) Supporting Collaboration and Guaranteeing a Collective Voice for the City's Voluntary and Community Sector
- Strand 1b (TAN159) Providing Infrastructure Support for the City's Voluntary and Community Sector
- Strand 2 (TAN158) Engaging with Key Communities to Support a Cohesive City
- Strand 3 (TAN159) Supporting Volunteers and Volunteering in the City
- Strand 4 (TAN162) Contributing to a Network of Sustainable Support for New Arrivals in the City

During the tender period, the City Council received a challenge to the lawfulness of the decision-making process leading to the decision to commission services related to engaging with key communities to support a cohesive Leicester (referred to in the review and decision as "Strand 2", corresponding to tender reference TAN158), and the consequent decision to commission services contributing to a sustainable network of support for new arrivals in the city (referred to as "Strand 4", corresponding to tender reference TAN162).

Following detailed consideration, the City Council determined that it and the people of Leicester would be best served by ensuring that the decision in relation to Strand 2 is robust and that there are no doubts about its lawfulness.

Accordingly, the City Council:

- Terminated the procurement exercise in relation to Strand 2 (TAN158).
- Terminated the procurement exercise in relation to Strand 4 (TAN162).
- Extended the existing contracts of those organisations that the City Council currently commissions to support representation of, and engagement with, particular communities in Leicester until such time as any replacement commissioning activity as described in this report is completed.
- Continued with the evaluation of tenders and award of contracts in respect of

Strands 1a, 1b and 3 (tender references TAN148, TAN157 and TAN 159 respectively).

In relation to Strand 2, the City Council stated that it would retake the decision dated 30 July 2014 as to how to proceed (if at all) in relation to Strand 2. Any new procurement exercise will only take place following such a fresh decision.

### **3.3 Award of contracts**

Contracts have been awarded in relation to the following tenders and Voluntary Action LeicesterShire were the successful bidder for all three and have been awarded those contracts with a total value of £276,287:

- Supporting Collaboration and Guaranteeing a Collective Voice for the City's Voluntary and Community Sector (2 bidders);
- Providing Infrastructure Support for the City's Voluntary and Community Sector (5 bidders); and
- Supporting Volunteers and Volunteering in the City (4 bidders).

As is the case for the core infrastructure contract that terminated on 30 September 2014, Leicester City Clinical Commissioning Group and Leicestershire Police will continue to make a financial contribution to Leicester City Council for these contracts, specifically £41,556 and £10,000 per annum respectively. Overall these new arrangements deliver a saving to the city council of £71,169 compared to previous arrangements.

### **3.4 Concluding the remaining elements of the review**

In relation to the remaining area of the review which relates to those agreements/contracts listed in section 3.1, it has been agreed that in order to ensure a robust decision for the future which has the confidence of stakeholders, a further phase of consultation is undertaken.

This consultation is planned to start in early March and will run for 12 weeks through until late May. The aim will be once the results have been analysed, to take a decision in June / July about the future approach.

As a result the existing agreements / contracts have been extended for a further 9 month period to allow the consultation to take place and for the resulting decision to be taken and implemented.

As communicated following the legal challenge, it is still proposed that the provision of advice, guidance and support to individual service users which is undertaken by SDS and TREC is not scoped into the review (and therefore not included within the next phase of consultation) and instead will be considered in future as part of a City Council review of advice services.

### **3.5 Implications for the previous decision**

In relation to the above it is important to be clear which elements of the previous decision are impacted and how. The previous decision report and decision notice can be found at <http://www.cabinet.leicester.gov.uk:8071/ieDecisionDetails.aspx?ID=475>

The purpose of the revised approach is to inform the new decision in relation to what was referred to as Strand 2 in the previous decision - how the City Council works with the VCS to support engagement with key communities. This does not impact on the Strand 1- and Strand 3-related aspects of the previous decision which remain as determined on 27 May 2014 and reaffirmed on 30 July 2014 following the call-in (and as informed by the previous Executive decision report), namely:

- (1) To agree the proposed approach to Strand 1 (“Support for the Voluntary and Community Sector”) by commissioning two specific services;*
  - (i) Supporting collaboration and a collective voice for the VCS*
  - (ii) Provision of guidance, advice and training to VCS organisations.*
  
- (3) To agree the proposed approach to Strand 3 (“Support for Volunteering in the City”) by commissioning a service that will specifically take into account the points outlined in section 3.10 of the previous Executive Report.*
  
- (4) To agree the indicative funding allocation ranges as follows:*
  - (a) Strand 1a Partnership working and collaboration: £40,000 - £60,000;*
  - (b) Strand 1b Support for the city’s VCS: £100,000 - £160,000;*
  - (d) Strand 3 Support for volunteering in the city: £60,000 - £100,000.*
  
- (10) To agree the formal extension of the seven current contracts until 30 September 2014; and*
  
- (11) To note the comments of the Neighbourhood Services and Community Involvement Scrutiny Commission meeting held on 8 May 2014.*

Further to the above the following aspects of the previous decision insofar as they relate to strands 1a, 1b and 3 remain in place:

- (5)(a) To reflect the anticipated indicative savings in the approved budget and budget strategy, and reduce budgets accordingly by the following amounts:*
  - 2014/15 £66,100*
  - 2015/16 £132,200*
  - 2016/17 and thereafter £132,200 per year;*
  
- (b) To delegate authority to the Director of Finance to determine the specific budget ceilings affected;*
  
- (c) To note that the indicative budget reductions may need to be reviewed upon conclusion of the procurement exercise.*
  
- (6) To agree that 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.*
  
- (7) To 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.*

*(8) To confirm understanding of the implications outlined in section 3.12 and the EIA at appendix 3 of the previous Executive Report, and agree the mitigating actions that are proposed.*

*(9) To agree the procurement approach as outlined in section 3.14 of the previous Executive Report, and the addition of the recommended procurements to the Council's Procurement Plan (as required under Contract Procedure Rules).*

The following aspects of the previous decision will be rescinded and a new approach taken following the second phase of consultation:

- *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 indicative funding allocation range as follows:*
  - *Strand 2 Engagement to support a cohesive Leicester: £150,000 - £200,000;*
- *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.*

#### **4. Financial, legal and other implications**

##### 4.1 Financial implications

The total budget for the existing contracts is £286,300.

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
<b>Total</b>	<b>£286,300</b>	

This review is included in the City Council savings review programme and it is anticipated that savings will need to be delivered from a review of these existing arrangements.

Colin Sharpe, Head of Finance

##### 4.2 Legal implications

There are no direct legal implications arising from this report.

Kamal Adatia, City Barrister

#### 4.3 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.

#### 4.4 Equalities Implications

The proposal to engage with communities to support a cohesive city will assist the council in meeting the 3rd aim of its Public Sector Equality Duty as set out in the Equality Act 2010, “fostering good relations between persons who share a relevant protected characteristic and persons who do not share it”. In order to be able to effectively do so, the council seeks to have different points of contact with our diverse range of communities, to understand their unique perspectives and be able to work with them over time to achieve the shared outcome of cohesion and integration as stated in the council’s Equality and Diversity Strategy.

Irene Kszyk, Corporate Equalities Lead, ext 374147

#### **6. Background information and other papers:**

See previous decision report and decision notice at:

<http://www.cabinet.leicester.gov.uk:8071/ieDecisionDetails.aspx?ID=475>