

For General Release

REPORT TO:	CABINET 7 MAY 2019
SUBJECT:	Community Fund Commissioning Programme
LEAD OFFICER:	Hazel Simmonds Executive Director for Gateway, Strategy & Engagement Sarah Warman Director of Commissioning and Procurement.
CABINET MEMBER:	Cllr Hamida Ali –Cabinet Member Safer Croydon & Communities Cllr Jane Avis – Cabinet Member Families, Health & Social Care Cllr Simon Hall Cabinet Member Finance & Resources
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

The Corporate Plan acknowledges the important role the voluntary and community sector play in the borough and confirms the commitment to continuing the Community Fund.

Following the launch of the Corporate Plan, the Council has engaged with the sector to develop a Voluntary and Community Sector (VCS) Strategy which was agreed by Cabinet in March 2019. The VCS strategy will inform the way the Council works with the sector in the future, including the recommissioning of the Community Fund.

The Community Fund supports the delivery of the following priorities of the Corporate Plan:

- 1. People live long, healthy, happy and independent lives
- 2. Our young people thrive and reach their full potential
- 3. Access to homes and prevention of homelessness
- 4. Everyone feels safer in their street, neighbourhood and home
- 5. Everybody has the opportunity to work and build a career

FINANCIAL IMPACT

The Council provides a range of financial support to the Voluntary, Community and Social Enterprise Sector. This equates to in excess of £4m p/a which includes the Community & Prevention Fund, the Community Small Grants Programme, rent subsidies and business rate relief.

The budget for the Community Fund and Prevention Fund included under this proposal is for up to £7,792,929 for three years from 1 April 2020 to 31 March 2023. The projected spend for each year is no more than £2,598,000.

FORWARD PLAN KEY DECISION REFERENCE NO. 0919 CAB:

This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1 The Cabinet is recommended by the Contracts and Commissioning Board to approve the procurement strategy as set out in this report, which will result in the award of contracts.
- 1.2 The Cabinet is to note that the Director of Commissioning and Procurement has approved under Regulation 18 to waive the standard evaluation criteria ratio under Regulation 21 of the Councils Tenders and Contracts Regulations to being 70% Quality and 30% Cost. Please see section 3 of this report for full details.
- 1.3 The Cabinet is to note that the Director of Commissioning and Procurement has approved under Regulation 18 to waive the requirement of not including the Premier Supply Programme under Regulation 21 of the Councils Tenders and Contracts Regulations as this would reduce the funding available to the appointed VCS contractors.
- 1.4 The Cabinet is to note that minor changes to the procurement strategy will be approved by the Director of Commissioning and Procurement in consultation with the Cabinet Member for Safer Croydon and Communities or Cabinet Member for Families, Health and Social Care in consultation with the Cabinet Member for Finance and Resources.
- 1.5 Note the Leader is delegating the authority to approve the award of contracts for the services to the Cabinet Member for Safer Croydon and Communities in consultation with the Cabinet Member for Families, Health and Social Care and the Cabinet Member for Finance and Resources.

2. EXECUTIVE SUMMARY

- 2.1 The Council adopted a new Corporate Plan in October 2018. This plan sets out the Council's promises to residents, business and partners across nine priority themes over the next four years.
- 2.2 There was a strong commitment to the VCS in the Corporate Plan, recognising the important role it plays in delivering services, support and advice to residents across a wide range of council services.

- 2.3 In order to deliver the Corporate Plan, the Council is seeking to radically change the way services are delivered, with a strong focus on prevention and locality based working. This approach will be evidence-led, recognising that services need to differentiate to respond to the differing needs across the borough. It also recognises the importance of collaboration and community-based networks in order to succeed. The VCS therefore has a significant role to play in this new approach.
- 2.4 The Council invests in excess of £4m in financial support to the VCS. This funding includes the Community Fund, Prevention Fund, the Community Small Grants, Community Ward Budgets, rent subsidies and discretionary business rate relief. The Council will also be investing further in the VCS to support the locality working which is developing across the Borough.
- 2.5 In addition to the VCS funding, there is substantial multi-million pound additional investment that the VCS accesses through various commissioning programme as part of the Council's supply chain, for example delivering services for children and adults. Our partners also provide substantial support, the CCG provided funding totalling £4.7m in 18/20 including its contribution to the One Croydon Alliance Local Voluntary Partnership fund.
- 2.6 The commissioning approach for two elements of the current ring fenced VCS funding programmes are included in this Commissioning Report:
- **The Community Fund** – 36 contracts were awarded to deliver services across 5 outcomes informed by the Opportunity & Fairness Commission. Contracts started October 2016, initially for three years and were subsequently extended to March 2020.
 - **The Prevention Fund** – The Adult Social Care Contracts for preventative services were approved in 29th January 2014, for the provision of community based preventative services. Initially for three years and were subsequently extended to March 2020.
- 2.7 The Council has confirmed its commitment to continuing this funding and increasing the investment over the next three years from April 2020. This demonstrates a clear and strong commitment to the Voluntary, Community and Social enterprise, (VCS) sector.
- 2.8 In March 2019, Cabinet approved the Council's Voluntary, Community & Social Enterprise Sector Strategy which included priority areas for the Council to work with the VCS which are grouped around the key priority outcomes of the Council's Corporate Plan. They capture the areas that the sector themselves identified as priorities that they could most effectively support. This Strategy will inform the re-commissioning of the Community Fund and Prevention Fund.
- 2.9 This report asks for approval on the commissioning approach for the Community Fund 2020-2023, which will include the Prevention Fund, which is valued at £7.8m over 3 years. Moving forward they will be part of the same

funding programme, however the prevention fund budget will have a ring fenced allocation.

- 2.10 As a LLW borough, all contracts awarded will include the requirement to pay the London Living Wage.
- 2.11 The commissioning approach has and will continue to be informed by learning and feedback on the previous commissioning as well as recent engagement with the VCS sector.
- 2.12 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1480/18-19	24/04/2019

3. DETAIL

Proposed Procurement Route

- 3.1 The tender processes will be conducted in accordance with the EU Procurement laws, Public Contracts Regulations (PCR) 2015 and the Council's Tender and Contract Regulations.
- 3.2 The commissioning process for the Community Fund is proposed to consist of five separate procurement exercises, which are outlined below. London Living Wage will apply to each of these tenders.

Statutory/Critical Services Support

- 3.3 The two elements of this service, will run as two separate tender exercises but using the same procurement route:
- **Tender 1 Advice services**, including housing, debt and legal advice and support
 - **Tender 2 Carers** – assessments, support & short breaks
- 3.4 The Contracts will be awarded for a period of three years commencing on 1 April 2020.
- 3.5 The tenders will be run as a one stage open process managed through the Council's e-procurement portal. The tenders will be published via the e-procurement portal and will include a detailed specification and Contract terms as part of the tendering documentation.
- #### **Infrastructure support**
- 3.6 A specification for infrastructure support will be developed based on the feedback from the VCS sector, which will include:
- Capacity Building and Support

- Fundraising Support
 - Development of partnerships, collaboration and networks
 - Volunteer Management Programme
 - Target support for underrepresented groups
- 3.7 The procurement process will reflect a single overall service requirement encompassing the above elements to allow competition and to encourage innovation from the VCS sector. The Council will welcome collaborative bids to allow a co-ordinated approach for delivering services across the borough. Legal advice will be sought to achieve these principles in a manner which complies with the EU Procurement laws and the Public Contracts Regulations 2015.
- 3.8 The Council is proposing to use the competitive procedure with negotiation (CPN) managed through the Council's e-procurement portal. The Council will contact the VCS sector to get expressions of interest and will facilitate an event to bring interested providers together to encourage collaboration. The tenders will be published via the portal and will include a detailed specification and Contract terms as part of the tendering documentation.
- 3.9 As part of the engagement on the development of the VCS Strategy, we have received feedback on the current infrastructure offer and input into the future support that the VCS sector requires. This will be used to inform the specification.
- 3.10 Market engagement meetings will take place with key infrastructure organisations to inform and help shape the specification. A key focus will be on improved collaboration, reducing duplication and ensuring the offer responds to the needs and asks from the VCS community.

Outcomes approach

- 3.11 This is linked to five of the outcomes from the Corporate Plan including the priorities for the prevention fund
- Theme 1 - People live long, healthy, happy and independent lives – this will include the ring fenced allocation for the Prevention Fund
 - Theme 2 - Our young people thrive and reach their full potential
 - Theme 3 - Access to homes and prevention of homelessness
 - Theme 4 - Everyone feels safer in their street, neighbourhood and home
 - Theme 5 - Everybody has the opportunity to work and build a career
- 3.12 Projects may include a cultural offer which will support the arts, culture and sports outcome of the Corporate Plan and the Culture Plan. This will supplement the existing funding in place.
- 3.13 For projects under £15k, the process will be managed as a grant as part of the Community Grants Programme.
- 3.14 For projects over £15k, this will take the form of a commissioning approach. The tender will be run as a one-stage open process through the Council's e-

procurement portal.

3.15 The Council will retain a proportion of the allocated budget from being awarded to support for projects in years 1, 2 and 3 to help support emerging needs. Bidders will be made aware of the total allocated budget to be awarded at tender stage.

3.16 The tenders will be published via the e-procurement portal and will include an outcomes prospectus informed by the outcomes and principles included in the VCS Strategy and a services related Contract. These contracts will be awarded for up to a maximum of 3 years with options for contracts longer than 1 year to have review clauses at the end of year 1 and 2 and to allow the Council to terminate the contract if required. This clause is to help both the Council and an appointed Bidder in the event:

- The conditions of the initial bid no longer applies.
- There is no longer the demand/need for the service to continue.
- There has been a change in the Bidders sector where other organisations are now delivering a similar model.
- That the bidder has not met the conditions of the Contract in line with their proposal, including satisfactory performance.

3.17 In the interest of encouraging as much participation from the sector as possible, a range of support options will be made available to providers during the process. Engagement will take place with the sector on the support required to ensure meets the need. The support which will be provided include:

- Publicising opportunities on Value Croydon website – we have created a dedicated page for Community Fund on the website specifically designed to help to promote locally ;
- To produce agreements specifically for VCSE organisations;
- Creating an easy to follow workflow on London Tenders Portal (Councils e-procurement portal) to make it as easy as possible for organisations to submit documents;
- Issuing a FAQ document with the Prospectus;
- Running workshops on:
 - How to become commissioning ready;
 - How to register and log on to the portal;
 - Guidance on how to write a bid
 - Answer any Q&A about the application documents.
 - Feedback from our current Community Fund organisations is that these workshops were well received during the last commissioning round.
- Prior to closing date of the tender, provide drop in surgeries to support organisations to submit their bids on the portal.

Contract Management & Quality Assurance of the Prevention Fund

3.18 The council will commission a provider to:

- Provide quality assurance of the Prevention Fund providers, ensuring minimum service requirements are in place.

- Contract manage projects under £15k and in turn to report back to the Council on performance

- 3.19 A specification will be developed that Bidders will need to demonstrate their understanding and that they can meet the needs of these requirements. The Contracts will be awarded for a period of three years commencing on 1 April 2020.
- 3.20 The tenders will be run as a one stage open process managed through the Council's e-procurement portal. The tenders will be published via the e-procurement portal and will include a detailed specification and Contract terms as part of the tendering documentation.

Evaluation

Statutory/Critical Services Contract

- 3.21 Bidders for either of these two services will be required to submit bids for the tenders listed in 3.1.1 above as per the published Specification and Contract.
- 3.22 As detailed in the report, a variation to the standard price/quality ratio split by having quality at 70% and price 30% is recommended. This is to ensure quality and innovation is received from the tenders and that bidders have already been provided with a fixed budget for this service.
- 3.23 The Council will inform bidders what the maximum budget is for each part of the service and will be asked to provide details of the service they will be able to provide for this budget.
- 3.24 Bidders will be evaluated on the quality of their tender by providing method statements to in the following key areas:-

Tender 1 Advice Services

Evaluation Area	Weighted Score %	Evaluation Panel
How they will meet the service outcomes and proposed output targets	20%	Category Manager Representatives from Gateway Representatives from Adults Services Representative from Children's Services
How will they develop local knowledge and engage with users	15%	
Ability to deliver the service including a defined structure	15%	
What added value can they provide through innovation	10%	
Social Value	10%	

Tender 2 Carers Services

Evaluation Area	Weighted Score %	Evaluation Panel
How they will meet the service outcomes and proposed output targets	15%	Category Manager & Commissioning Manager Representative from Adults Services Representative from Children's Services
How will they develop local knowledge and engage with users	15%	
Ability to deliver the service including a defined structure	5%	
What added value can they provide through innovation	5%	
Social Value	5%	
Presentation by bidders to the Carer's panel on overall solution	25%	Category Manager Representative from Adults Services Representative from Children's Services

The quality evaluation will be scored as follows per method statement question:-

Score	Reasoning
5	Excellent
4	Good
3	Satisfactory
2	Fair
1	Poor
0	Unacceptable

- 3.25 Each Bidder will have to score a minimum of 2 per method statement question and achieve 60% of the total quality marks (42%) otherwise the Council will reject the bidder's proposal. This is to ensure that the Council supports high quality proposals to help meet the needs of our residents.
- 3.26 Each Bidder will be asked to produce a financial breakdown which will account for 30% of the total evaluation scores. The Council will review to ensure that the submitted breakdown is line with the quality proposals that it makes to ensure value for money.
- 3.27 This will be evaluated by:-

$$\frac{\text{Lowest submitted total price}}{\text{Tenderer's submitted total price}} \times 30\%$$

The recommendations will then be presented to the appropriate Cabinet Members for approval, in line with the agreed delegation.

Tender 3 - Infrastructure Contract

- 3.28 The engagement sessions with the VCS sector in the development of the VCS Strategy, stressed the need for collaboration and a more joined up approach to service delivery.
- 3.29 As detailed in the report recommendation, a variation to the standard price/quality ratio split by having quality at 70% and price 30%.
- 3.30 This is to ensure quality and innovation is received from the tenders. The Council will inform bidders what the maximum budget is and will be asked to provide details of the service they will be able to provide for this budget.
- 3.31 Bidders will be evaluated on the quality of their tender by providing method statements to in the following key areas:

Evaluation Area	Weighted Score %	Evaluation Panel
Bidders proposals on how they intend meeting the requirements of the service specification	20%	Category Manager Representative from Gateway, Strategy and Engagement Representative from Public Health
How bidders will proactively engage with the sector	15%	
How will they encourage partnership working and collaboration	12%	
Proposal on how success will be measured and output targets	8%	
Social value	8%	
What added value can they provide through innovation	7%	

The quality evaluation will be scored as follows per method statement question:-

Score	Reasoning
5	Excellent
4	Good
3	Satisfactory
2	Fair
1	Poor
0	Unacceptable

- 3.32 Each Bidder will have to score a minimum of 2 per method statement question and achieve 60% of the total quality marks (42%) otherwise the Council will reject the bidders' proposal. This is to ensure that the Council supports high quality proposals to help meet the needs of our residents.
- 3.33 Each Bidder will be asked to produce a financial breakdown which will account for 30% of the total evaluation scores. The Council will review to ensure that the submitted breakdown is line with the quality proposals that it makes to ensure value for money.

This will be evaluated by:-

$$\frac{\text{Lowest submitted total price}}{\text{Tenderer's submitted total price}} \times 30\%$$

The recommendations will then be presented to the appropriate Cabinet Members for approval, in line with the agreed delegation.

Tender 4 Outcomes Based Services Contract

- 3.34 Bidders will be evaluated on the quality of their providing by providing method statements to in the following key areas

Evaluation Area	Weighted Score %	Evaluation Panel
Assessment of need	20%	Category Manager Representative from respective service leads linked to the outcomes
How will you get residents/users to partake in the scheme	20%	
Ability to deliver outcomes	10%	
What is the measurement of success	10%	
Social Value	10%	

- 3.35 The total value of the quality of scoring will be 70% of the evaluation and price 30% and has been agreed in the recommendations of this report. This is to ensure quality and innovation is received from the tenders.

The quality evaluation will be scored as follows per method statement question:-

Score	Reasoning
5	Excellent
4	Good
3	Satisfactory
2	Fair
1	Poor
0	Unacceptable

3.36 Each Bidder will have to score a minimum of 2 per method statement question and achieve 70% of the total quality marks (42%) otherwise the Council will reject the bidder's proposal. This is to ensure that the Council supports high quality proposals to help meet the needs of our residents.

3.37 Each Bidder will be asked to produce a financial breakdown which will account for 30% of the total evaluation scores. The Council will review and evaluate the financial cost of the proposal as per below:-

- Costs are line with the proposal made
- Staffing costs are benchmarked against local average
- Product costs are benchmarked against industry averages
- That the financial model is sustainable over the term of the contract.
- That administration costs for the contract are in line with the solution provided.

3.38 They will then be scored against the following criteria and a % awarded to be added to the total quality score. If a Bidder scores 1 or below in relation to cost evaluation then the Council will reject the proposal.

Score	Reasoning
5	Excellent- Provides excellent value for money and provides significant benefits above their submitted solution
4	Good- Provides good value for money and provides benefits above their submitted solution
3	Satisfactory- Provides value for money and costs are in line with submitted solution
2	Fair- Though provides value for money, however some costs are not considered to be in line with the submitted solution
1	Poor- Provides some value for money however the costs are not in line with the submitted solution and does not give assurance to the Council
0	Unacceptable- Is not financially viable and does not provide value for money or assurance to the Council

3.39 Bids will then be ranked based on their percentage score and the highest ranking bids that fit within the financial envelope will be recommended for award.

- 3.40 The recommendations will then be presented to the appropriate Cabinet Members for approval, in line with the agreed delegation.

Tender 5 - Contract Management & Quality Assurance of the Prevention Fund

- 3.41 Bidders for this service will be required to submit bids for the tender listed in 3.1.1 above as per the published Specification and Contract.
- 3.42 As detailed in the report recommendation a variation to the standard price/quality ratio split by having quality at 70% and price 30% is recommended. This is to ensure quality and innovation is received from the tenders and that bidders have already been provided with a fixed budget for this service.
- 3.43 The Council will inform bidders what the maximum budget is for the service and will be asked to provide details of the service they will be able to provide for this budget.
- 3.44 Bidders will be evaluated on the quality of their tender by providing method statements to in the following key areas:

Evaluation Area	Weighted Score %	Evaluation Panel
How they will meet the service outcomes and proposed output targets	25%	Category Manager Representatives from Adults Services Representative from Commissioning & Procurement
How will they engage with VCS providers to support them delivering the outcomes and to demonstrate contract compliance	20%	
How they will report to the Council to show that Contracts are being delivered	15%	
Social Value	10%	

The quality evaluation will be scored as follows per method statement question:-

Score	Reasoning
5	Excellent
4	Good
3	Satisfactory
2	Fair
1	Poor
0	Unacceptable

- 3.45 Each Bidder will have to score a minimum of 2 per method statement question and achieve 60% of the total quality marks (42%) otherwise the Council will reject the bidder's proposal. This is to ensure that the Council supports high quality proposals to help meet the needs of our residents.
- 3.46 Each Bidder will be asked to produce a financial breakdown which will account for 30% of the total evaluation scores. The Council will review to ensure that the submitted breakdown is line with the quality proposals that it makes to ensure value for money.

This will be evaluated by:-

$$\frac{\text{Lowest submitted total price}}{\text{Tenderer's submitted total price}} \times 30\%$$

- 3.47 The recommendations will then be presented to the appropriate Cabinet Members for approval, in line with the agreed delegation.

Procurement Timeline

- 3.48 The timing for each of the four tender exercises will vary and will be developed based on the feedback from the sector. A high level overview of the timeline is included below:

April - May	Engagement events to inform the commissioning
June	Tender process opens
June - September	Support sessions for the VCS
October	Tender process closes
October - November	Evaluation
December	Decision and Contracts awarded / grants confirmed
Jan-Mar 2020	Decommissioning support
April 2020	New contracts / grant agreements start

Risks

Risk	L	I	Mitigation
Organisations might not get to hear about the commissioning programme in time and miss out on applying.	H	M	An extensive engagement programme has been put in place that includes: <ul style="list-style-type: none"> • A dedicated webpage • A launch event for the VCS strategy • 6 engagement events • Ongoing opportunities to feedback to commissioners • Support from infrastructure organisations

			<ul style="list-style-type: none"> Telephone support throughout the process
Governance requirements for bidder are over complicated and prevent organisations from bidding.	M	L	We have consulted widely with the sector and they are aware of the need for the Council to carry out some governance processes and it has been agreed that this will be streamlined as much as possible and proportionate approaches taken. Steps have been taken to make the process as simple as possible, including increasing the grant process from £5,000 to £15,000 to allow for more services to be funded without going through a full tender exercise

Performance Monitoring

3.49 A proportionate approach to monitoring will be applied.

Services & Infrastructure

- The monitoring structure for the infrastructure and services will be based on the existing Tier 1 structure which has proved successful in the past.
- Each of these contracts will contain clearly defined outcomes and contract management and performance management arrangements based on the type of service.
- Either monthly or quarterly performance management reports will be submitted by providers and these will be collated on a quarterly basis and reported to ELT through the Tier 1 monitoring process.
- Contract management meetings will be held with the providers to review performance.

Outcomes

- For the outcomes based contracts the amount and vigour of contract management will depend on the size of the contract, there will be a requirement for all to have clearly defined outcomes which providers will identify how to best evidence progress against.
- Performance management reports and contract management meetings will take place and will be agreed depending on the size of the contract.

4. CONSULTATION

4.1 Extensive engagement was undertaken to inform the VCS Strategy.

VCS Survey

4.2 A survey ran between 7 December 2018 and 8 February 2019 to seek feedback from voluntary and community sector organisations. The survey was developed with input from across the Council, as well as through external

challenge from another council and meetings with the infrastructure organisations in Croydon.

4.3 The survey was hosted online through the 'Get Involved' section of the Council's website. It was circulated through the Council's existing VCS networks across all services. It was also shared via the VCS infrastructure organisations, which have regular newsletters, e-bulletins and network meetings.

4.4 The survey included questions across a range of issues:

- Challenges and opportunities
- Support for the VCS
- Service sector and beneficiaries
- The size of VCS organisations
- Financial matters
- Geographical area of operation

4.5 216 responses to the survey were received. It is difficult to confirm a response rate; as we encouraged organisations to forward the link to the survey, we do not know the total number of organisations it was sent to.

Engagement events

4.6 In addition, two engagement events were held, on 22 January and 5 February, attended by a total of 113 representatives of VCS organisations and groups, both large and small. A wide range of needs groups and localities were represented.

4.7 The event included a number of questions that were considered in breakout group discussions.

Scrutiny & Overview Committee

4.8 A report was provided to the Scrutiny & Overview Committee on 11 February. This included information on the VCS sector, initial findings from the engagement activities and sought Member views to inform the strategy.

Findings from VCS Engagement

4.9 A SWOT analysis has been produced based on VCS responses through the survey, engagement event and interviews (see Table 2).

Table 2: SWOT analysis of the VCS in Croydon

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Passion and volunteers. • Resilient, given limited funding. • Able to access grants from other sources • People-oriented – listen to voice of user • Know their community and market: <ul style="list-style-type: none"> ○ reach places and people that statutory agencies cannot ○ act as mediator/link with community ○ increase community self-reliance 	<ul style="list-style-type: none"> • Some of VCS are unaware of funding available or lack bid writing and fundraising skills • Lack of skills to generate income • Staffing recruitment/retention due to low pay • Ability to expand services to meet demand • Governance: hard to attract skilled trustees • Many volunteers older/disabled; burn out. • Smaller organisations lack capacity to train volunteers

<ul style="list-style-type: none"> ○ offer opportunity to get involved • Support people who fall below statutory service threshold • Flexible, personalised service: able to address complex needs • Focus on prevention and early intervention • Willing to collaborate, especially in a crisis, to counter hate crime • Faster: less red tape/governance rules • Lower costs (use of volunteers helps) 	<ul style="list-style-type: none"> • Unaware of other VCS services, limits partnership opportunities; risks duplication • Partnership development (for some organisations)
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> • Collaboration within the VCS • Involving the community/service users • Delivery of statutory services through VCS (some resent this) • Work on employment and skills • Council/CCG commissioning • Social prescribing, Local Voluntary Partnerships • High volunteering rate in Croydon: tap potential of young people • Locality meetings – to gain knowledge of local provision and good practice. • Share back office functions and premises to cut costs • Sell services, let premises, crowd funding. • Cross-borough delivery. • Corporate Social Responsibility. • Regeneration of Central Croydon 	<p style="text-align: center;">THREATS (CHALLENGES)</p> <ul style="list-style-type: none"> • Funding: trust funds tend to support new projects; core funding is a challenge. Turns collaborators into competitors • Premises – unavailable or costly • Increasing demand • Sustainability of volunteering: more people work or are carers; young people needed • Not enough support to recruit/train volunteers • Increased training requirements: GDPR, safeguarding, social media. • Disproportionate monitoring • Council staff turnover: loss of knowledge and silo working –don't think of overall impact of decisions.

4.10 The main observations and recommendations made by VCS respondents are set out in Appendix 1.

4.11 A detailed Equalities Impact Assessment was carried out as part of the Community Fund Strategy and no negative impacts were identified.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Revenue Budget available				
Expenditure		2,598	2,598	2,598
Income				
Effect of decision from report				

Expenditure		2,598	2,598	2,598
Income				
Remaining budget				

5.2 The effect of the decision

The report will commit the council to commission up to £2.598m a year from the Voluntary and Community sector from April 2020. This will be funded from the Community Fund held within Commissioning & Procurement, and the Prevention Fund within Health, Wellbeing and Adults.

5.3 Risks

The financial risk to the Council will be assessed as part of the first stage of the evaluation process. The main risk to the Council are the following:-

- That the cost to provide the Statutory/Critical Services Contract and the Infrastructure Services Contract will be higher than the provided budget. This will be mitigated by providing Tenderers with a fixed budget to design the service to.
- That for the Outcomes tenders that the Council receives bids back that are more than the budget that the Council holds. This will be mitigated by the Council funding the bids of the highest quality to meet the key council outcomes.

5.4 Options

There are no options outlined in this report.

5.5 Future savings/efficiencies

None

Approved by: Ian Geary, Head of Finance, Resources & Accountancy

6. LEGAL CONSIDERATIONS

- 6.1 The Director of Law and Governance comments that legal considerations are as set out in the report

Approved by: Sean Murphy Director of Law and Governance and Deputy Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 There is a high likelihood of TUPE being applicable for the Services as well as the Infrastructure contracts. Existing providers are being contacted to start gathering the necessary information which will form part of the tender

documents. The application of TUPE will ultimately be determined by the incumbent and any new service providers, for which the Council is the client. On that basis, the role of the Council would usually extend no further than facilitating the process, and the Council's HR team are available to advise the project team, where necessary.

- 7.2 The timetable for the project includes a 3 month lead in period between award and commencement, to give unsuccessful organisations enough time to manage any TUPE or workforce matters arising.

Approved by: Deborah Calliste – Head of Human Resources on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 A full Equalities Impact Assessment was carried out as part of the Community Fund Strategy and no negative impacts were identified. The outcome decision was considered by Cabinet on 25th March 2019.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

- 9.1 There are no implications for this strategy
- 9.2 The Council has a commitment to address environmental sustainability as an integral part of all activity. The Green Commitment and Environmental Procurement Policy are key relevant policies.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no implications for this strategy

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 This meets with the Council's corporate aims as set out in the Council's Community Strategy and Corporate Plan to make use of and support Croydon's Community and Voluntary Sector to deliver on the Council's priorities and outcomes.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 Other available options considered and rejected included:
- Extend the existing contracts with VCS providers that are in place

- Recommission all services through an outcomes approach, as per the previous Community Fund Approach
 - Keep the Prevention Fund Commissioning Approach separate
- These were all ruled out based on the feedback from commissioners and the sector.
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APPENDICES TO THIS REPORT:	Appendix 1 – Summary of feedback from engagement on the VCS Strategy
BACKGROUND PAPERS:	<u>VCS Strategy – March 2019</u>