

Part A

Report to: Cabinet

Date of meeting: 13 June 2022

Report author: Head of Leisure & Environmental Services

Title: Extension of the Voluntary Sector Commissioning Framework (VSCF) for 1 Year: 1 April 2023- 31 March 2024

1.0 Summary

- 1.1 The current VSCF four year funding cycle is due to expire 31 March 2023. During the Covid 19 pandemic and the various government lockdowns (started on 23 March 2020) the majority of commissioned organisations had to close or part suspend their services. During this time the council continued to pay the grant money as directed by the Public Procurement Notice.
- 1.2 Due to the closure of the commissioned services over the last 18 months the council has not had the opportunity to fully review and evaluate the impact of the current Framework and decide on the future priorities, configuration and the appropriate level of funding going forward. The current revenue budget for the Framework is £822,771 and an accommodation grant In-kind of £109,550.
- 1.3 In the time since the last VSCF was approved (January 2019) a number of strategic and operational changes have occurred in the post Covid 19 environment for the voluntary and community sector and to the council's role and long term vision for the borough. In the past 18 months there has been some debate regarding the council's role and aspirations regarding the Community Development/Leadership continuum and who is best placed to deliver on this agenda. These changes will impact on the proposed review of the Framework to ensure that the relationship between WBC and the commissioned organisations helps to deliver the council's corporate plans and objectives.
- 1.4 In order to allow the council to conduct a comprehensive review of the VSCF an extension of the current Framework arrangements for an additional 12-month period ending 31 March 2024 would allow the authority to benchmark itself against other Herts LA's, define the future role, aspirations and requirements from the voluntary and third sector partners in delivering the council current and future priorities.
- 1.5 The review of the Framework could be led and conducted by Cabinet Working Group formed in the new municipal year 2022-2023.
- 1.6 The additional time would allow the council to provide adequate notice to organisations if they were to be deselected or receive a reduction in grant funding. This would allow these organisations to seek alternative grant aid or sponsorship that would not impact their ability to continue service delivery.

1.7 Appendix 1 below set out the budget profile of the Framework 2019-2023 and the grants awarded to the different organisations.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
Reduced funding to the VSCF sector during the review or period due to budget pressures from the MTFS	The facility or service is not available for residents and customers to use Reputational risk to council	Regular communication to Cllrs and commissioned organisations on the review process	Treat	Unlikely (2) x High (3) = rating of 6
Deselecting a current commissioned organisation post review exercise	The facility or service is not available for residents and customers to use Reputational risk to council	Regular communication to Cllrs and commissioned organisations on the review process	Treat	Unlikely (2) x High (3) = rating of 6

3.0 Recommendations

- I. To agree to extend the Voluntary Sector Commissioning Framework for 1 Year until 31 March 2024 at the current funding levels detailed in Appendix 1 to allow the council to conduct a comprehensive review of the Framework going forward to meet the council priorities.

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Report approved by: Alan Gough Group Head of Community & Environmental Services

4.0 Detailed proposal

4.1 The council recognises that the voluntary and community sector has an important role in providing services within the borough which provide many positive benefits for those who live, work and visit Watford. The Framework is the council's strategic approach that sets out the priorities for a range of services on behalf of the council.

4.2 The council has long standing and positive relationships with third sector organisations and it deploys a significant proportion of its revenue budget to support a number of them in a variety of ways. The council adopted the first VSCF in January 2012-13, when the current set of commissioned organisation was first selected. The new Framework approach moved the council towards a commissioned approach with service delivery priorities identified, and a process to identify the preferred delivery partner rather than an "open grant application" approach. The council adopted the current framework in January 2019

4.3 The current framework configuration was agreed following a comprehensive review of grant aided organisations by WBC in circa 2009/2010. In January 2019 council adopted the forth Framework and added the Pump House Theatre and Home Start Watford/Three Rivers.

4.4 The services to be commissioned are:

- Infrastructure support to the voluntary sector – delivered by Watford and Three Rivers Trust (aka W3RT)
- Advice and support services – delivered by Watford Citizens Advice Bureau (CAB)
- Mobility services – delivered by Watford Shopmobility
- Arts and culture services – delivered by Watford Palace Theatre & *Pump House Theatre
- *Advice and support services – delivered Home Start Watford/Three Rivers
- Mayor's Small Grants Fund – administered by the WBC

4.5 The authority also provides a management grant to support the following council owned community centres across the borough:

- Holywell Community Centre – managed by W3RT
- Orbital Community Centre – managed by One YMCA
- Meriden Community Centre – managed by Watford Football Club Sports and Education Trust (WFC Trust)
- West Watford Community Association (based in 15 Harwood's Rd)

4.6 The quality of services commissioned by the council are monitored on a regular basis by the Contract and Partnerships Manager. Should the services be considered below the quality expected or the need for the service reduce then the Service Level Agreement (SLA) with the organisations commissioned can be reviewed or amended to enable the council to de-commission or reduce funding as appropriate.

5.0 The case for review and change

5.1 Although the previous Frameworks have served the council well, it is clear from an analysis of the post Covid 19 environment in which we are working, and feedback on the framework itself, that, in order to be fit for purpose for the challenges ahead, it needs to be reviewed.

- 5.2 With limited resources at the council's disposal, taking on board the feedback on the previous grant funding programme and the national and local context, the council may need to deploy an alternative approach. The new approach needs to be robust, open, fair; yet radical enough to ensure it meets its service delivery priorities efficiently and effectively.
- 5.3 In the context of the impact of the economic climate, and the significant impact of public sector finances, it is appropriate for the council to revisit its support for the Framework and ensure it has in place a clear understanding of its priorities and commissioning objectives.
- 5.4 In the light of the Covid 19 pandemic and its impact on residents and local charities there has been some debate regarding the council's future role regarding the Community Development/Leadership and who is best placed to deliver on this agenda. The review of the WBC commissioning process can be seen as a cycle of activity that works together to deliver the desired outcomes and the key steps proposed are detailed below in Section 6.0.

6.0 The Commissioning mechanism next steps

- 6.1 The review of the Framework could be led and conducted by a Cabinet Working Group formed in the new municipal year 2022-2023. The results of the review and benchmarking exercise will form a detailed report with specific recommendations which can be used to shape and inform the new VSCF which would commence in 2024.
- 6.2 Having identified and agreed the council's future priorities from evidence provided, the commissioning process will ensure that quality services meeting these priority needs are provided by the best placed organisation to do so, at an affordable cost to the council.

The key steps to this process are:

1. Identify the finance and resources available to support the provision of services
2. Identify and specify what services are to be delivered through a
Service Level agreement:
 - incorporating appropriate quality standards, including robust governance and finance systems
 - a sustainability plan including invest to save proposals and efficiencies required over the life time of the agreement
 - performance monitoring information required
3. Choose the best method to obtain that service:
 - identify suitable providers
4. Invite them to submit proposals:
 - to demonstrate their ability to prove they can deliver the service required to an agreed standard based on the outcomes outlined in the service specification
 - to demonstrate they have mechanisms in place to deliver the performance monitoring information at the outset
 - To demonstrate how they will work with service users to design and monitor their services to meet the Council's deliverables
5. Negotiate on the final service delivery plan and finance available

6. Agree the following:
 - grant to be provided over what period
 - service level agreement and service specification
 - performance monitoring information
7. Award funding
8. Commence monitoring
9. Review delivery of service – reports to Leadership Board, Portfolio Holders and Overview and Scrutiny

7 Implications

7.1 Financial (Extract from January 2019 Cabinet report)

7.1.1 The Shared Director of Finance comments that the baseline funding for this programme will be contained within the current budget for this area of activity. Financial support of the framework will be subject to the availability of funding during that period as set out in the council's Medium Term Financial Strategy and annual budget setting process, any requirements to make savings or provide growth will be dealt with as part of this process.

7.2 Legal Issues

7.2.1 The Head of Democracy and Governance comments that the council has a wide variety of legal powers that are available for it to provide both financial and physical assistance to the voluntary sector to enable them to undertake their functions. The priorities identified within the Commissioning Framework are all covered by these powers. There are no implications in extending the current framework for an extra year.

7.3 Equalities, Human Rights and Data Protection

7.3.1 Under s149 (1) of the Equality Act the council must have due regard, in the exercise of its functions, to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them
- foster good relations between persons who share relevant protected characteristics and persons who do not share them.

7.3.2 An Equality Impact Assessment (EIA) was undertaken as part of the Cabinet report in January 2019 to establish whether there are any emerging needs that are not addressed through the commissioning priorities. If there are emerging needs identified during the period of the Framework that are not currently met, consideration will be given as to whether these are a District Council responsibility, align with the council's corporate objectives and whether council funding or grant aid is required in order to commission the service.

7.4 Staffing

7.4.1 There are no changes to staffing arrangements identified in this report.

7.5 **Accommodation**

7.5.1 There are no changes identified in this report relating to WBC offices/Town Hall accommodation.

7.5.2 All of the commissioned organisations occupy or deliver their services in WBC non-commercial leisure and community assets. These facilities and assets are subject to bespoke lease arrangements. The Community Facilities Review Board (CFRB) and the proposed Community and Operational Property Management Framework are gathering the baseline information regarding commercial/charity rental policies, landlord and compliance surveys alongside the planned preventative maintenance programmes for the different venue.

7.6 **Community Safety/Crime and Disorder**

7.6.1 There are no Community Safety/Crime and Disorder issues identified in this report.

7.7 **Sustainability**

7.7.1 There are no Sustainability issues identified in this report.

Appendices

1. Budget profile 2019/2023 (Below)

Background Papers

- Voluntary Sector Commissioning Framework: 2019 – 2023
- Cabinet report VSCF – 21 January 2019

Appendix 1 – Budget profile

VSC Framework 2019 - 2023 - Management Revenue Grant

Organisation	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Total
WPT	£244,844	£238,401	£231,957	£231,957	£947,159
Pump House Theatre	£12,886	£19,329	£25,773	£25,773	£83,761
CAB Watford	£204,190	£204,190	£204,190	£204,190	£816,760
Shop Mobility	£36,459	£36,459	£36,459	£36,459	£145,836
*W3RT	£79,173	£79,173	£79,173	£79,173	£316,692
Holywell CC	£76,680	£76,680	£76,680	£76,680	£306,720
West Watford Community Association	£23,415	£23,415	£23,415	£23,415	£93,660
Orbital CC	£72,965	£72,965	£72,965	£72,965	£291,860
Meriden CC	£72,159	£72,159	£72,159	£72,159	£288,636
Home Strat Watford and Three Rivers	N/A	£20,000	£30,000	£30,000	£80,000
Total	£822,771	£842,771	£852,771	£852,771	£3,791,084

VS Framework 2019-2023 - Accommodation and Lease Grant Values

Organisation	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Total
WPT	£0	£0	£0	£0	£0
Pump House Theatre	£0	£0	£0	£0	£0
CAB –Watford	£39,500	£39,500	£39,500	£39,500	£158,000
Shop Mobility	£0	£0	£0	£0	£0
*W3RT	£0	£0	£0	£0	£0
Holywell CC	£21,000	£21,000	£21,000	£21,000	£84,000
WWCA CC	£4,300	£4,300	£4,300	£4,300	£17,200
Orbital CC	£25,000	£25,000	£25,000	£25,000	£100,000
Meriden CC	£19,750	£19,750	£19,750	£19,750	£79,000
Total	£109,550	£109,550	£109,550	£109,550	£438,200
Notes				Total cost	£3,729,284

- 0 = peppercorn rent/value
- *W3RT are based in Holywell Community Centre