

Haringey Compi

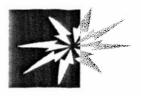
Report for:	Cabinet 20 th December	2011	Item number	
Title:	Haringey's Voluntary Sector Strategy 2011-2016 and Voluntary Sector Commissioning & Funding Framework			
Report authorised Mun Thong Phung, Director, Adult and Housing by: Services White				
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Ward(s) affected:		Report	for Key/Non	Key Decision:
All	Key			

1. Issue under consideration

1.1 Steered and overseen by the Voluntary Sector Review Board, the Council has produced a Voluntary Sector Strategy 2011-2016 (Appendix 1), and draft Voluntary Sector Funding Framework (Appendix 2). The Funding Framework will set out how the Council will deliver on the Strategy in order to achieve the best possible outcomes for the residents of Haringey, in line with the Council's key priorities, within a challenging financial climate. Both the Strategy and the Framework have been consulted on.

2. Cabinet Member Introduction

2.1 I am very excited about Haringey's new Voluntary Sector Strategy as its gives the Council and its voluntary and community sector colleagues an opportunity to work together on the matters that really count and that really concern us. I see the voluntary sector as having a pivotal role in helping to regenerate Tottenham and work with us to tackle our core priorities:



unemployment; and delivering health and well-being; empowering communities; and working with young people to lead effective valued lives.

- 2.2 It is important to acknowledge that Haringey Council highly values the work of its Voluntary Sector and I, with Cabinet responsibility for this portfolio, am very passionate about the Voluntary Sector and its role in delivering better services and outcomes for Haringey's residents. It is vital that the Council encourages and supports the sector to become a strong strategic delivery partner; one that is able to deliver high quality, effective services against our key priorities.
- 2.3 The Voluntary Sector Strategy 2011-16 sets out the Council's key priorities in working with the voluntary sector in Haringey so that they are able to be effective partners in identifying solutions to the shared challenges in maintaining services within a reduced public resourced envelope. The Funding Framework provides the mechanism for the Council to deliver our key priorities and outcomes, with added value for money and high quality, effective services for residents.

3. Recommendations

- 3.1 It is recommended that Cabinet agree the Voluntary Sector Strategy 2011-2016 and the Funding Framework having taken into account the outcome of the attached Equalities Impact Assessment (Appendix 4), which includes a detailed summary of the consultation.
- 3.2 It is recommended that Cabinet agrees that the process of rolling out the framework will begin from January 2012.
- 3.3 Cabinet is asked to note that Directorates across the Council are expected to have due regard to the Funding Framework when working with the voluntary sector.

4. Other options considered

4.1 The Council has not previously had a strategy for the voluntary sector. The Voluntary Sector Strategy is intended to transform the way the Council works with the voluntary sector, to maximise delivery in accordance with the Council's key priorities and outcomes, achieving added value for money and high quality, effective services for residents. The existence of a Voluntary Sector Strategy will strengthen the ways voluntary sector services are funded and provide a proportionate and consistent approach across the Council.

5. Background information



- 5.1 The Voluntary and Community Sector is defined as non-governmental organisations that are value driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. It includes Voluntary and Community Organisations, charities, social enterprises, cooperatives and mutuals.
- 5.2 In 2010/11 the Council funded Voluntary Sector organisations to a value of approximately £15 million. Historically, funding of the voluntary sector has not always been consistent across the Council leading to, for example, duplication in funding for similar services. The Voluntary Sector Strategy will strengthen the ways voluntary sector services are funded and provide a proportionate and consistent approach. The Council is committed to ensuring that performance management is proportionate to the size of the organisation.
- 5.3 The Council has developed a five year Voluntary Sector Strategy for the period 2011-2016 following a period of consultation on the outcomes of the Strategy from November 2010 to February 2011. The development of the Strategy has been steered and overseen by the Voluntary Sector Review Board, chaired by the Cabinet Member for Adult and Community Services and involving voluntary sector members and other key stakeholders. A further six week consultation exercise took place during July & August 2011 on the draft Voluntary Sector Funding Framework. The Framework will set out how the Council proposes to deliver on the Strategy, in order to achieve the best possible outcomes for residents of Haringey within a challenging financial climate.

5.4 Voluntary Sector Strategy

5.4.1 The Voluntary Sector Strategy 2011 - 16 (attached at appendix 1) will support the Council to meet the challenges and opportunities that are emerging rapidly from fundamental changes to the public sector. By establishing the right funding mechanisms, the Council will be able to empower and strengthen the voluntary sector so they are better able to deliver effective services in areas of highest need and to address local inequalities to achieve improved outcomes for the residents of Haringey. The Voluntary Sector Strategy highlights the contribution that Voluntary Sector organisations can make to deliver the priorities for our borough, against the five key outputs of the Strategy. These outputs were consulted on from November 2010 to February 2011, and have been agreed as:

Outcome 1: A commissioning and funding framework that is needs-led and offers value for money: by establishing a robust financial relationship alongside innovative ways of funding services, supported by quality assurance and monitoring



Outcome 2: A strong Voluntary Sector infrastructure: by developing a strategic structure that supports the work of the Voluntary Sector

Outcome 3: An effective Voluntary Sector voice: by ensuring that the needs and views of the Voluntary Sector are effectively championed

Outcome 4: People and communities empowered to take control of their lives: To support the development of valuable social networks, recognising the key role the Voluntary Sector has to play, to deliver high quality support and services

Outcome 5: Fairer access to assets and community spaces: by providing support to enable Voluntary Sector organisations to access and to share high quality premises

5.5 Voluntary Sector Funding Framework

- 5.5.1 Outcome 1 of the Voluntary Sector Strategy requires the Council to put in place a Funding Framework (a draft of which is attached at Appendix 2) which sets out the core principles for how the Council will support and work with the Voluntary Sector, including how the Council propose to fund its voluntary sector services in the future. Such a framework is critical to successful delivery of the Strategy.
- 5.5.2 Commissioning practices will be in line with the Council's Contract Standing Orders. Organisations will be asked to:
 - Register their interest
 - Complete an initial assessment form (or pre qualifying questionnaire where the Council is undertaking a formal tender for services)
 - Complete a full proposal (or tender pack)
- 5.5.3 The Funding Framework is informed by the following guiding principles:
 - Contribution to priorities: Funding should contribute towards achievement of Council priorities, fulfil a legislative requirement or build capacity in the Voluntary Sector
 - Service/Outcome basis: Funding should relate to an activity or service to be provided. Monitoring and evaluation should be based on delivery of quantifiable outcomes, established at the start of funding. Funded activities will be expected to deliver those specified outcomes
 - Fair, open and transparent process: The funding process should be open, fair and transparent



 Proportionate funding arrangements: The funding process should involve an element of proportionality with less onerous processes and requirements for low values of funding, to reflect the lower risk involved

Building on the principles already contained in the Haringey Compact and following consideration of the practice adopted in other authorities, funding will be split between strategic commissioning and small grants. It is proposed that each Council Directorate uses this framework for all future commissioning from the voluntary sector, clearly demonstrating links to Council priorities.

- Commissioning will be Directorate-led following the development of Directorate Commissioning Briefs. Where necessary, joint commissioning could take place. When setting out commissioning intentions, there will be an emphasis on working with local organisations in Haringey.
- Small grants scheme (up to £5,000): In order to continue to support small organisations, a small grants scheme will accompany the commissioning process. The grants will be allocated to new innovative projects, one-off purchases or development investment. Bids will be invited for small funding allocations with proportionate application requirements and monitoring arrangements
- Longer term funding: In order to promote stability and certainty, funding should be agreed for longer time periods where it represents good value for money to do so. There is an expectation that commissioning will result in funding being agreed for three years. However, the length of funding will ultimately be determined by the needs of the service or outcome, as set out in the Directorate Commissioning Brief
- Full cost recovery: When appropriate Voluntary Sector organisations should aim to recover the full cost of their funded activities by including a proportion of their overheads. This should eventually eliminate the need for 'core cost' funding and encourage sustainability
- Reserves: Voluntary Sector organisations are expected to comply with Charity Commission guidelines, and should have written policies on their minimum level of reserves.
- Partnership working: A dynamic and innovative response is needed to the challenges faced in providing both public and voluntary services. Opportunities for collaborative projects, sharing of resources or partnership working should be developed where possible in order to make best use of limited resources



 Value for money: Funded organisations should demonstrate that good value for money is offered. This could be demonstrated through developing a clear strategy for maximising income from other sources and reducing the reliance on Council funding. Equally, value for money could effectively be built into contracts funding agreements as it should be assumed that no inflationary increments will be available during the life of the contract

6. Comments of the Chief Financial Officer and Financial Implications

6.1 The recommendations within the report are to be contained within existing resource allocations. Delivering value for money services will need to be a key consideration in the future funding of services from voluntary sector organisations, including ensuring robust and relevant activity information that demonstrates good outcomes to Haringey residents are being delivered.

7. Head of Legal Services and Legal Implications

- 7.1 In reaching their decisions the Cabinet must have specific regard to the authority's public sector equality duty. The extent of the public sector equality duty on the Council, enforced by the Equality Act 2010, is set out in Appendix 3 to this report. In reaching their decisions members should take into account the attached full equality impact assessment included at Appendix 4 to the report. Members should note in particular section 3 of the attached equality impact assessment. Particular consideration must be given to those effects and to the proposals made to reduce or mitigate them. A summary of the equalities impact is also provided at section 8 of the report.
- 7.2. The decision of the Cabinet concerning the recommendation set out in the report must also be informed by and take into account the outcome of the consultation with service users, providers and other stakeholders. A summary of the consultation is contained at section 8 of this report. Further assessment of the consultation is contained within section 4 of the equalities impact assessment.
- 7.3 The equalities impact of the Strategy and Funding Framework will continue to be monitored and outcomes reported to members as appropriate.
- 7.4The commissioning process will be undertaken in accordance with the Council's Contract Procedure Rules and with procurement law. Legal advice will need to be sought on the appropriate tender procedure for each Directorate Commissioning Brief.



8. Equalities and Community Cohesion Comments

- 8.1 The Voluntary Sector Strategy and Funding Framework will assist with the Council's "duty to promote equality of opportunity" under the Equality Act 2010 (see appendix 3). Both the strategy and the framework will strengthen the relationship between the council and the provider as well as between the provider and the users of services, so that the Council is better informed of equalities impact of its commissioning going forward. The Council will therefore be in a stronger position to target its funding in line with council priorities.
- 8.2 Both the strategy and framework are supported by an Equalities Impact Assessment (see appendix 4). The Equalities Impact Assessment has examined how the strategy and framework will ensure equality of access to Council support and funding, across protected groups who use services provided by voluntary sector organisations. The affect of the strategy and framework will continue to be monitored for equalities purposes and any future findings of disproportionate impact will be mitigated as much as possible. Equalities assessments will be undertaken each time the Funding Framework is reviewed, informally on an annual basis and formally every two years.
- 8.3 Both the strategy and the framework were consulted on, with the strategy consultation period running from November 2010 to February 2011, and the framework consultation running from mid July to end August 2011. The consultations outcomes are in Section 4 of the Equalities Impact Assessment (see Appendix 4). Further detail about the consultation can be found at 8.7 and 8.8.
- 8.4 The key findings from the EQIA on the funding proposals are set out below. It should be noted that there was limited evidence available about the 1600 groups, in terms of the actual number of people they work with and the breakdown of their users across the equalities strands. However from the HAVCO Third Sector Mapping report completed in late 2009, valuable information about who groups consider to be their main 'beneficiaries' (ie who in the community they primarily work with please refer to page 6 of the EQIA) has enabled a high level analysis of impact across the equalities strands:
 - Age there was no evidence found of likely disproportionate impact –
 positive impact is demonstrated in terms of the number of voluntary
 sector groups who say they work with vulnerable age groups (such as
 children, young adults and older people)
 - Sex there was no evidence found of likely disproportionate impact.
 - Race there appears to be evidence of under-representation of BME groups in terms of the 'beneficiaries' that voluntary sector groups say they work with. Haringey's BME population accounts for 48.8% of the



total population, whereas only 25% of voluntary organisations appear to specifically target BME groups. It is acknowledged that BME groups do likely access other categories of service from voluntary sector organisations (refer to table 1 on page 6 of the EQiA).

- Disability there generally was not found to be evidence of under representation across disability with the exception of people with mental health issues. On the evidence available there may be insufficient groups targeting people with mental health issues.
- Religion there was no evidence found of likely disproportionate impact.
- Gender reassignment it is not known how many people in Haringey are currently undergoing or have under gone gender reassignment, and further work is needed.
- No other particular disproportionate impact has been identified for any
 of the other equalities strands.
- 8.5 To promote equality of access and mitigate against disproportionate impact of our work with the voluntary sector we will:

Table 1

Table I		
Issue	Action required	
Ensure that disadvantaged and marginalised groups are appropriately targeted support and resources to voluntary sector groups.	Review third sector mapping – and remap existing local voluntary sector provision of BME services, mental health services, and groups that work with people who have undergone gender reassignment	
	When developing commissioning briefs, Directorates to pay due regard to equalities implications and ensure appropriate targeting of resources.	
Maximise opportunities for voluntary sector organisations to deliver goods and services to residents – to become serious delivery partners	Ensure commissioning briefs use procurement methodology that are accessible to voluntary sector organisations	
Risk of non-voluntary sector organisations or organisations outside Haringey getting contract awards	Ensure support to the local voluntary sector to maximise their skills in producing successful funding applications and tenders; as well as to secure funding available from other sources.	
Impact on voluntary sector groups on funding as/when Council priorities change, in	Ensure commissioning briefs are mindful of the equalities impact of proposals, and mitigate where ever possible against any	



Issue	Action required
terms of ongoing funding arrangements	disproportionate impact.
Improve equality monitoring in relation to voluntary sector services	 Work with Voluntary sector partners to ensure assist the council with the collection of robust equalities monitoring information, to ensure that resources are appropriately targeted at those protected groups that are underrepresented. Where the Council has contracts in place, this will be done through contract monitoring framework.
Training	All Officers involved in creating future funding proposals to VCS and, where appropriate, some external organisations, to receive up to date, full, equalities training.

8.6 It is advised that Council directorates should:

- Ensure that equalities information continues to be collected by voluntary sector organisations and analysed
- Continue to monitor the impact of the changed services to maintain good quality of provision and outcomes for all residents and users of services.
- Review the equalities information required from voluntary sector organisations within the contract and specification documentation, to increase the level of equalities information provided to the Council.
- 8.7 Consultation both the strategy and the framework were consulted on, with the strategy consultation period running from November 2010 to February 2011, and the framework consultation running from mid July to end August 2011. The development of the strategy was overseen by a Voluntary Sector Review Board which met from August 2010 to July 2011, and was chaired by the Cabinet Member for Adult Social Care and Health. Membership of the group also consisted of the Cabinet Member of Children and Young People's Services, the Cabinet Member for Resources, and representatives from voluntary and community organisations, including HAVCO, Haringey Race and Equality Council, and the Chair of the Community Link Forum. Council officers attended from Adult and Community Services, Children Services, Public Health, Corporate Policy and Performance, and Property Services.
- 8.8 A summary table of the themed findings from the consultation and our response is set out below:



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Summary of themed findings Local Authority Response from the consultation on the strategy and framework Proposed changes to the structure of Preparation of the draft strategy the strategy document, to set out was discussed at the Voluntary strategic aims, with outputs and Sector Review Board, which outcomes - HAVCO consultation included voluntary sector report made 13 recommendations representation. It was felt that for change, including six that related changing the structure may to changing the structure of the complicate the strategy with a strateav. level of detail that was not required for the strategy itself. However we made amendments to many aspects of the strategy as a result of the feedback from groups VIA HAVCO. The final draft of the strategy was agreed in July 2011 at the Board, at which VCS representatives were present, and agreed the final draft of the strategy. Within both the strategy and the Agreed – the Council wishes to framework, there was general promote social inclusion to concern to ensure that resident support community engagement involvement and engagement was and cohesion (including targeted essential, particularly to ensure support for marginalised community cohesion was promoted. communities) and is working with It was noted that the VCS has a partners to develop a set of critical role to plan in supporting principles to guide our work. marginalised communities The practicalities of working with This is acknowledged. In the case other strategic partners such as of NHS Haringey, they have health, in a period of huge change. supported the development of the including delivering on joint strategy and framework, and are commissioning priorities. also committed to its principles. Delivery of the strategy will be monitored through for example, the shadow Health and Well-being Board, as this is the key partnership arena for health and social care, including the GP Clinical Commissioning Group.



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Summary of themed findings from the consultation on the strategy and framework	
Comments about a key focus in the strategy being about the Council's funding of the VCS, and the impact of working in a constrained funding environment.	The Council feels this emphasis is important in the current budgetary climate. It is recognised that funding from the Council has been reduced (particularly with the ceasing of the Area Based Grant by central government as at 31st March 2011), so it is important for the Council to be clear about how it will plan to spend its money in the future, including what will be available in the future.
	It is also recognised that voluntary sector organisations have had and will continue to have access to other sources of funding directly (i.e. not via the Council), and organisations need to be geared up to be able to access these when opportunities arise.
Links to other strategies across the Council, including the community engagement framework the Compact, and the inclusion/exclusion of other strategies within the Voluntary Sector Strategy itself.	The Council is committed to the principles of the Community Engagement. It is recognised that there are key stages within the commissioning cycle where this is more critical (such as in completing needs assessments and planning priorities).
	The Council is also committed to adhering to the Compact, however it is acknowledged that this was not possible, for example, following the Government's release of the Comprehensive Spending Review detail in mid December 2010, and the level of budget reduction that had to be achieved by 31st March 2011.

Within the voluntary sector



Summary of themed findings from the consultation on the strategy and framework	Local Authority Response
	strategy itself, it was felt not necessary to list every strategy across the Council, overarching strategic documents only were listed. However the Council is clear, that more detailed client or department specific strategies are recognised, especially where the voluntary sector is integral to the delivery of these.
Outcome 1 – commissioning and funding framework There was concern about how the strategy and framework will ensure local organisations are sustained where 'competition' for resources is introduced. A general theme in responses to both the strategy and the framework was that a focus should be on promoting local	The Council acknowledges these concerns from the sector, and is committed to supporting local organisations in Haringey, however local groups must be able to demonstrate they are fit for purpose and able to deliver good outcomes for residents, as well as offer value for money, including added value.
organisations, not encouraging other organisations to the borough. There was also concern about potential loss of funding and contracts to the private sector, and that the Council should support increased opportunities for voluntary sector organisations to deliver goods and services to residents.	The Council welcomes and encourages voluntary sector organisations becoming serious service delivery partners and steps up to be more involved in the delivery of services, and recognises that local organisations are often best placed to deliver goods and services to residents, more so that the independent sector, because they understand
Encouraging innovation, and having robust quality assurance and proportionate monitoring was welcomed by respondents, in particular to focus resources on areas of need that directed to areas that reflect local aspirations	and are committed to the communities they work with. The Council agrees, and critical to the success of the framework will be ensuring that commissioning briefs taken full account of local need (i.e. the joint strategic needs assessment) and community aspirations.



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Summary of themed findings from the consultation on the strategy and framework	
Outcome 2 – Voluntary sector infrastructure – there were divergent views on having a single infrastructure organisation acting as the 'voice' of the sector. For example some organisations felt that the Council should not solely rely on an umbrella organisation when seeking views from the sector, including consultation.	The Council has commissioned an independent review of the infrastructure needs of the sector which is due to be completed in late December 2011. It is recognised that Haringey is a diverse borough and this is reflected in the make up of voluntary groups.
The importance of the voluntary sector involvement in decision making bodies (whether via an umbrella organisation or otherwise) was made.	The Council acknowledges this. Voluntary sector organisations are, and will continue to be involved in for example, adult social care partnership boards, as their input is valued.
Suggestions were made about utilising the expertise of existing organisations in supporting the development of the sector.	The Council welcomes this.
The function of an infrastructure organisation was considered important in terms of the support the sector is provided to ensure quality services are provided to residents.	The Council agrees, and this aspect is being considered as part of the review
Outcome 3 – an effective voluntary sector voice – it was generally felt that more direct communication with groups from the Council should be standard, as well as ensuring there is a role for groups on key decision making groups.	The Council recognises the key role for voluntary sector groups in supporting and influencing decision makers, and this will be promoted, whilst acknowledging the diversity of the sector and therefore the diversity of views on community need.
It was also felt that investment should be made available for small groups.	The commissioning and funding framework includes a 'small grants scheme'



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Summary of themed findings from the consultation on the strategy and framework	
Outcome 4 – People and communities empowered to take control of their lives – it was generally thought that appropriate support and investment in volunteering infrastructure and management should be promoted, and that the role of the voluntary sector in supporting the development of social capital should be recognised.	The Council accepts and welcomes voluntary sector involvement in supporting the development of social capital as well as volunteering.
Outcome 5 – Fairer access to assets and community spaces – strong views were expressed about equality of access to community buildings, including where current lease arrangements may preclude for example, shared services.	The Council is undertaking a separate review of Council property assets (including community buildings) which is currently expected to be completed in Summer 2012. Comments from VCS have been provided to the relevant department.
Some comments were made on the consultation of the strategy. In particular that the consultation timing, and other consultations around specific funding of the voluntary sector in 2011, may have impacted on organisations securing funding from alternative bodies.	This is acknowledged. The strategy consultation (in terms of its timing) did start just prior to the government's announcement of the Comprehensive Spending review in December 2010. The announcements made in the CSR, had to be addressed by the end of that financial year. The impact on opportunities for other funding is regrettable, and we will work to avoid this happening in the future.
General comments about the commissioning and funding framework (not noted above under outcome 1):	It is acknowledged that the introduction of full cost recovery represents many challenges to organisations.
Timescales for implementation were thought to be too short. Full cost recovery – many organisations concerned about how	We recognise that organisations currently in receipt of core funding require a reasonable timescale to adjust to the proposed change.



Summary of themed findings from the consultation on the strategy and framework	Local Authority Response	
this will work in practice, the timing (and speed) of its introduction, particularly where organisations have been in receipt of 'core funding' and rely on this to sustain their organisation. Concern expressed that other sources of funding, including from the Council, have been secured on the basis that core costs are funded separately.	To mitigate against the uncertainty caused by the introduction of full cost recovery for those in receipt of core funding, the Council has delayed the introduction to Summer 2012, to allow for more work with groups to be undertaken. A separate Equalities Impact Assessment will also be undertaken specifically on organisations currently receiving this funding.	
Commitment to consistency of process, both in terms of the procurement methodology and the approach to contract monitoring were welcomed.	Procurement methodologies will be confirmed with the publication of commissioning briefs, and will include how the performance management will be undertaken. As per the framework, the Council is committed to ensuring all arrangements are proportionate. The principles of the Compact will apply.	
The framework was generally thought to be too long, and too wordy	The final draft of the framework has been condensed, particularly where duplication or wording confusion was identified through the consultation process.	

9. Head of Procurement Comments

9.1 Not applicable



10. Policy Implications

- 10.1 Both the Voluntary Sector Strategy Strategy and Funding Framework will help the Council to deliver on its priorities, including that of commissioning high quality efficient services. Having an effective Voluntary Sector, is crucial to the success on delivering key outcomes to the residents in Haringey, including:
 - Communities feeling empowered and supported to be self reliant.
 - Encouraging community involvement and volunteering
 - Tackling health inequalities and promoting healthier lifestyles and independence.
- 10.2 This report also links to the following documents / strategies:
 - Rethinking Haringey: One Borough, One Future
 - Haringey Outcomes Framework
 - Council plan (including departmental business plans)
 - Key strategies
- 10.3 The Government published 'Best Value Statutory Guidance' in September 2011, setting out their expectations for Councils considering how they will work with and fund the voluntary sector (and small business) in the future. This can be found at Appendix 5.

11. Use of Appendices

Appendix 1 – Voluntary Sector Strategy – 2011-2016

Appendix 2 - Commissioning and Funding Framework

Appendix 3 - Public Sector Equality Duty

Appendix 4 – Equalities Impact Assessment

Appendix 5 - Best Value Statutory Guidance

12. Local Government (Access to Information) Act 1985

12.1 No reason for confidentiality or exemption