

**TAMESIDE METROPOLITAN BOROUGH  
COUNCIL**

**TAMESIDE LOCAL STRATEGIC PARTNERSHIP  
JOINT SCRUTINY PANEL**

**REVIEW OF THE STRATEGIC EFFECTIVENESS  
OF THE COMMUNITY AND VOLUNTARY  
SECTOR**



**CONTENTS**

	<b>Section</b>	<b>Page</b>
<b>Introduction by the Chair</b>	<b>1</b>	<b>1</b>
<b>Summary</b>	<b>2</b>	<b>2</b>
<b>Membership of the Panel</b>	<b>3</b>	<b>2</b>
<b>Terms of Reference</b>	<b>4</b>	<b>2</b>
<b>Methodology</b>	<b>5</b>	<b>3</b>
<b>Background Information</b>	<b>6</b>	<b>3</b>
<b>Mapping the Voluntary and Community Sector (VCS) in Tameside</b>	<b>7</b>	<b>4</b>
<b>Interviews with public sector agencies and voluntary and community groups</b>	<b>8</b>	<b>6</b>
<b>Barriers and enablers to greater VCS involvement in service delivery</b>	<b>9</b>	<b>8</b>
<b>Borough Treasurer's Comments</b>	<b>10</b>	<b>9</b>

<b>Borough Solicitor's Comments</b>	<b>11</b>	<b>9</b>
<b>Conclusions</b>	<b>12</b>	<b>9</b>
<b>Recommendations</b>	<b>13</b>	<b>11</b>
<b>Appendix 1 Project Plan</b>	<b>-</b>	<b>13</b>
<b>Appendix 2 Mapping the Voluntary and Community Sector</b>	<b>-</b>	<b>16</b>
<b>Appendix 3 Views and Experiences of the Voluntary and Community Sector and Statutory Sector in Tameside</b>	<b>-</b>	<b>28</b>

# TAMESIDE METROPOLITAN BOROUGH COUNCIL

## TAMESIDE LOCAL STRATEGIC PARTNERSHIP

### Joint Scrutiny Panel to consider the strategic effectiveness of the Voluntary and Community Sector in Tameside

September 2007

#### 1. INTRODUCTION BY THE CHAIR

It is with pleasure that we present the Joint Scrutiny Panel's report on the strategic effectiveness of the voluntary and community sector in Tameside.

The Council and its partners were pleased to accept the invitation of the Centre for Public Scrutiny (CfPS), the Office of the Deputy Prime Minister (ODPM), and the Improvement and Development Agency (IDeA) to explore an area of national and local importance.

The aim of the review was to provide a picture of the current and potential role of the sector in addressing local issues in partnership with the Local Strategic Partnership.

A detailed mapping exercise and over thirty interviews with voluntary and community groups and local agencies carried out for the review demonstrate the invaluable contribution the sector makes to tackling a variety of local priorities including health and social care, community safety, and training and employment as well as providing numerous recreational activities. There also appears to be great potential within the sector to expand its strategic role.

However, the sector faces a number of constraints not least its resource capacity, the processes involved in partnership working and involvement at strategic level. The Panel has therefore made a series of recommendations to the Local Strategic Partnership and its members which aim to promote the further involvement of the sector in addressing local issues.

We would like to thank all those organisations and partners who took part in the review and for their candour during interview. We would particularly like to thank colleagues at the Tameside Third Sector Coalition for their help in providing information about the sector and helping to identify potential interviewees.

We hope that this report goes some way to enhancing the role of the voluntary and community sector and we look forward to reviewing progress against the recommendations in due course.

Cllr Allison Gwynne (Chair 2005/06)

Cllr Brenda Warrington (Chair 2006/07 and 2007/08)



## **2. SUMMARY**

- 2.1 In 2005, Tameside MBC and the Local Strategic Partnership agreed to take part in a project sponsored by the Centre for Public Scrutiny (CfPS), the Office of the Deputy Prime Minister (ODPM), and the Improvement and Development Agency (IDeA). A Joint Scrutiny Panel comprising Scrutiny Panel Members and members of the Local Strategic Partnership carried out a review of the value of the voluntary and community sector (VCS) in Tameside with a view to promoting greater involvement of the sector in service delivery.
- 2.2 Through a mapping exercise and interviews with partners from the public sector and VCS, the review concluded that the VCS makes a valuable contribution to the achievement of the borough's priorities, a contribution recognised by public sector partners. However, the VCS faces a series of challenges to achieving greater involvement. Some of these challenges are already being addressed in partnership with public sector agencies and there is good practice that can be adopted elsewhere.
- 2.3 The key challenges to the sector are identified as the need to involve the VCS at the level of strategic decision-making; to address funding arrangements including the level and duration of funding and contracting process and monitoring arrangements; and to provide more support to the sector to develop the capacity to meet the demands of service delivery.
- 2.4 The Scrutiny Panel makes recommendations which it hopes will enhance partnership working between the VCS and the Local Strategic Partnership and add value to the efforts of all partners in addressing local priorities.

## **3. MEMBERSHIP OF THE PANEL**

### **2005/06**

Cllrs. Allison Gwynne (Chair), Bell, Downs, Sidebottom, S Smith, K Wright.

Moira Cunningham (Tameside Third Sector Coalition), Rob Cookson (Tameside Third Sector Coalition), Sheila Piazza (Connexions), Supt. Julie McCabe-Robinson (Greater Manchester Police), Peter Martin (Tameside Local Strategic Partnership), Simon Smith (Tameside & Glossop Primary Care Trust).

### **2006/07 and 2007/08**

Cllrs. B Warrington (Chair), Downs, Sidebottom, S Smith, Welsh, K Wright.

Moira Cunningham (Tameside Third Sector Coalition), Rob Cookson (Tameside Third Sector Coalition), Sheila Piazza (Connexions), Supt. Julie McCabe-Robinson (Greater Manchester Police), Peter Martin (Tameside Local Strategic Partnership), Simon Smith (Tameside & Glossop Primary Care Trust).

## **4. TERMS OF REFERENCE**

- 4.1 The aim of the review was to demonstrate the strategic value of the local VCS through a joint scrutiny review of the sector by Scrutiny Panel Members and the

Local Strategic Partnership. The review aimed to make recommendations to enable the strategic value of the sector to be developed.

- 4.2 The terms of reference for the review were agreed as:
  - 4.2.1 That the Joint Scrutiny Panel comprising six representatives of Tameside MBC and four representatives of the Tameside Local Strategic Partnership shall only exist to undertake the scrutiny review of the strategic effectiveness of the voluntary and community sector in Tameside.
  - 4.2.2 The Joint Scrutiny Panel will operate in accordance with Section 21 of the Local Government Act 2000 and Regulations made under Section 32 of the Act.
  - 4.2.3 The Joint Scrutiny Panel will be supported by the Tameside Head of Scrutiny and other colleagues from the Scrutiny Support Unit as appropriate.
  - 4.2.4 The Joint Scrutiny Panel will report jointly to the Council and to the LSP Board as well as the CfPS.

## **5. METHODOLOGY**

- 5.1 The Panel met in March 2006 for preliminary discussions and to agree the project plan for the review.
- 5.2 The Scrutiny Support Unit, in conjunction with the Tameside Third Sector Coalition, mapped the VCS in Tameside and conducted interviews with LSP partner agencies and VCS groups throughout 2006.
- 5.3 On behalf of the Joint Scrutiny Panel the Scrutiny Support Unit reported progress to the Compact Steering Group and the Local Strategic Partnership.

## **6. BACKGROUND INFORMATION**

- 6.1. Following the success of the Beacon Bid – “Getting Closer to Communities”, the Office of the Deputy Prime Minister (ODPM), the Improvement and Development Agency (IDeA) and the Centre for Public Scrutiny (CfPS) supported by the Home Office, proposed that a collaborative scrutiny exercise take place between Local Strategic Partnerships (LSP) and the local authority scrutiny function, on the subject of the strategic effectiveness of the voluntary and community sector.
- 6.2. It has been recognised by the National Audit Office amongst others, that the full potential of the voluntary and community sector is not fully recognised across the country and that awareness and appreciation of this sector needs to be improved. This also reflects the Government’s commitment to encouraging greater involvement of the third sector in service delivery and community development. The aim of the project was therefore to raise awareness amongst the Local Strategic Partnerships of the strategic value of the voluntary and community sector (VCS) for contributing to the achievement of local priorities through the delivery of services.
- 6.3. Tameside MBC and other local authorities with Beacon Status for Getting Closer to Communities were therefore approached by the Centre for Public Scrutiny (CfPS) and co-sponsors to take part in a joint Scrutiny Review by

Scrutiny Members and the Local Strategic Partnership (LSP) of the strategic value of the VCS.

- 6.4. Initially, the project sponsors hoped to facilitate information sharing between participating local authorities and disseminate the good practice generated by the reviews to local authorities throughout England and Wales. Shortly after beginning the review Tameside learned that the CfPS were unable to secure funding for the project and no other local authorities had chosen to participate. However, it was agreed that the project would add value to this area of Council and LSP activities and it was therefore agreed that the project should continue with the support of the Scrutiny Support Unit.
- 6.5. The Joint Scrutiny Panel sought to establish the extent of voluntary and community sector activity in Tameside, to explore the experiences of public agencies and VCS groups in working together, and to identify barriers and enablers to greater involvement by the VCS in service delivery.

## **7. MAPPING THE VOLUNTARY AND COMMUNITY SECTOR IN TAMESIDE**

- 7.1. The Scrutiny Support Unit, working closely with the Tameside Third Sector Coalition (T3SC), carried out a mapping exercise of the voluntary and community sector using the T3SC database of just under 800 voluntary and community groups. This exercise covered the key characteristics of VCS groups including size, activity, location, target group, level and source of income and information about staff and volunteers. The findings from the mapping exercise are detailed in appendix 2. A summary of the findings are as follows.
- 7.2. There is a large number of very small and long-established voluntary and community organisations in Tameside. There are few large national organisations in Tameside. Large organisations with a presence in Tameside include NCH (commissioned to deliver the Children's Fund in Tameside), Barnardo's (contracted to provide home support for families with young children through two Sure Start programmes), MIND, Citizen's Advice Bureau (contracted to provide advice services), Age Concern (Tameside) (contracted to provide a range of health and social care and other services for older people), Groundwork (commissioned to provide a range of community development and social inclusion services and projects), Childline and the NSPCC (both have delivered work in Tameside schools). Many of the large nationally recognised charitable organisations however, were actually self supporting organisations with minimal support from the national body.
- 7.3. The majority of VCS organisations in Tameside are long established. Over a third are known to have been operating for more than 5 years. It may also be that those where the age is not known (just over half) may also have been established for some time.
- 7.4. Most groups report that they operate borough-wide. The least VCS activity takes place around the renewal areas of Ashton, Hattersley and Longdendale where it could be argued the VCS could potentially have a significant role to play in neighbourhood regeneration, social inclusion and civic renewal.

- 7.5. The main activities covered by the VCS are sport and leisure and health and social care. Young people are the main group in the community served by the VCS. This also includes uniformed and sporting organisations.
- 7.6. The proportion of groups in Tameside with an income of less than £10,000 appears to be higher than the national average. Nationally it is estimated that 56% of VCS groups have an income of less than £10,000<sup>1</sup> compared to 77% of groups in Tameside.
- 7.7. Of the 276 organisations on the T3SC database providing financial information, two-thirds had an income of less than £5000 in 2004/05 and 43% less than £1000.
- 7.8. The majority (64%) of organisations in Tameside on the T3SC database report that they depend on their own fundraising, with 14% receiving funding from Tameside MBC. The majority of the remaining funding is through a variety of sources, including the National Lottery and local businesses.
- 7.9. Nationally, the public sector contributes 38% of the VCS income, an increase from 2001/02. Of this more than half is in the form of fees for the delivery of services rather than grants<sup>2</sup>. In Tameside, there has also been a move away from grants to contracts and service level agreements with VCS groups.
- 7.10. It is estimated that in Tameside there are around 193 full time paid staff in the sector, 228 part time paid staff and 3822 regular volunteers. Fifty voluntary organisations in Tameside employ 193 full time staff and of these, 52 are employed by one of two organisations.
- 7.11. There are very few organisations in Tameside operating a social enterprise (businesses operating with a social purpose). The most well known examples are Groundwork and the St Peter's Partnership. However, there is a growing focus on social enterprises. A partnership of representatives from the local authority, health authority and VCS has recently been formed to increase the provision of health and social care services and services for children and young people through social enterprises. The partnership group is identifying barriers to developing social enterprises and what is required to overcome these barriers. An action plan is being developed to put the necessary improvements in place. Members however, highlighted a very good example of a successful local voluntary organisation in Denton at the Haughton Green Community Forum that had been established that had been established in conjunction with the PCT.
- 7.12. A social enterprise has recently been launched in the Ashton Renewal Area. The service provides domestic cleaning services to Tameside residents. Older people receive a subsidised service and are screened to ensure they are not in need of further homecare services or social care support. The company is run by older people and recruits staff from amongst the unemployed in the renewal area.

---

<sup>1</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 4

<sup>2</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 8

## 8. INTERVIEWS WITH PUBLIC SECTOR AGENCIES AND VOLUNTARY AND COMMUNITY GROUPS

- 8.1. The Scrutiny Support Unit carried out a series of structured interviews with voluntary and community sector organisations and statutory agencies on the role of the VCS in service delivery. The findings of the interviews are detailed in appendix 3. A summary of the exercise and its key findings are as follows.
- 8.2. The purpose of the interviews was to explore the experiences of both sectors regarding service provision by the VCS. A standard set of questions was devised for each sector (some questions were altered slightly after initial interviews to make them more appropriate to all types of group and agency).
- 8.3. In total 31 interviews were carried out. Eleven interviews took place with representatives from 5 statutory agencies and 20 interviews took place with 20 different voluntary and community sector groups.
- 8.4. Statutory agencies interviewed were:
- Tameside Metropolitan Borough Council (Services for Children and Young People, Social Care and Health, and Joint Procurement)
  - Tameside and Glossop Primary Care Trust (Commissioning Officers)
  - Pennine Care Mental Health Trust (various sections including Children and Adolescents Mental Health Service, Community Mental Health Team, and the Substance Misuse Service)
  - Greater Manchester Police
  - Tameside and Glossop NHS Acute Trust
- 8.5 Voluntary and community groups interviewed were:
- Alcoholics Anonymous
  - Age Concern Tameside & Glossop
  - Barnardos
  - Branching Out
  - Citizen's Advice Bureau
  - Groundwork
  - Homestart Tameside
  - Homestart Wigan
  - Information Shop for Young People
  - Micklehurst Elderly Social Scene (MESS)
  - Tameside and Glossop MIND



- Off the Record
- Our Kids Eyes (OKE)
- Probin Mela (luncheon club for older Asian men)
- Shopmobility
- St Peters Partnership
- Tameside Link
- Victim Support
- Women In Supported Housing
- Water Adventure Centre

8.6 Voluntary and community groups were carefully chosen in order to assess the experiences of VCS groups of different sizes, from a range of backgrounds and with various links to public sector agencies. As the review progressed other organisations were identified by the Scrutiny Support Unit or suggested by other parties as being useful to the review.

8.7 The Scrutiny Support Unit set out to interview voluntary and community groups which had different experiences of working with statutory agencies including:

- groups with a well-established history of providing services on behalf of statutory agencies;
- groups which have previously provided services under contract but no longer do so;
- groups which do not provide services.

8.8 Throughout these interviews there was recognition by both sectors of the current and potential added value of the VCS. Interviewees from both sectors felt that the VCS is able to provide support and opportunities less likely to be available from the public and private sector and often in ways more appropriate to the community. The VCS was felt in particular to provide sub-threshold, preventative and complementary services.

8.9 Almost all VCS groups had ambitions for the future either expanding the current activity or increasing the number of activities provided. Many VCS groups had identified areas of potential unmet need in the communities they served which they could help address.

8.10 Some of the VCS groups interviewed demonstrated extensive experience of managing large contracts with the statutory sector.

8.11 A common experience of VCS groups was insecurity over funding. Accessing and securing funding in various forms (e.g. traditional fundraising, grants and contracts) was a time-consuming and demanding process for managers and coordinators in the VCS. Short-term or delayed funding could impact upon the

ability of the organisation to maintain services and to recruit and retain quality staff.

- 8.12 Shared goals, mutual understanding and flexibility were the main features of successful funding relationship between the VCS and statutory sector.
- 8.13 There is clear commitment amongst some sections of the statutory sector in Tameside to promote the delivery of services by the VCS. Some were making practical changes to funding arrangements to maximise this potential (e.g. proportional contractual arrangements, securing contracts through 'preferred providers' rather than open tender, and creating partnerships between VCS and private sector organisations where the VCS was unable to provide services independently).
- 8.14 Some agencies also promoted amongst VCS groups the importance of adapting and responding to changes in the priorities and policies of statutory agencies to increase the possibility of securing contracts.
- 8.15 The VCS focuses more on outcome based monitoring information as well as basic quantitative data. There is a growing move by statutory agencies towards a greater focus on monitoring the outcomes of contracts and the impact on individuals and communities.
- 8.16 Whilst the value of the VCS is not questioned by the statutory sector and there are many examples of successful professional VCS organisations, there are some concerns about the capacity of the VCS in Tameside to meet potential demand and compete with public and private sector providers – this is perhaps shown by the efforts of some officers to shield VCS partners from market-testing.
- 8.17 The current reconfiguration of mental health services will establish a network of providers, including from the VCS, for the provision of different levels of service. This will be a useful model for the future role of the VCS in service delivery.

## **9. BARRIERS AND ENABLERS TO GREATER VCS INVOLVEMENT IN SERVICE DELIVERY**

- 9.1 Although there was an improved culture of partnership working and greater involvement of the VCS in formulating strategic responses to local priorities, further improvement was identified as an area of in need. It was felt that statutory agencies were more proactive than before in involving the VCS, although some VCS groups still felt that they 'weren't on the radar' or 'round the table' when it came to strategic involvement or were involved late in the process. Representation at strategic level and a greater tendency for the VCS to be considered as an option for delivery 'as second nature' were mentioned by some VCS interviewees as important for the growth and involvement of the VCS in service delivery.
- 9.2 VCS groups felt that funding was a significant barrier to growth. Many groups had clear ideas about potential areas of growth for the organisation but required funding to achieve this expansion. Many VCS organisations felt that there was a contradiction between the national drive for greater involvement by the VCS in service delivery and the level of funding available to build the capacity of the

sector. This has a particular impact on the ability of the sector to attract paid staff – a further concern of interviewees – which has an impact on the level of service the sector can provide to statutory agencies. External funding has traditionally been for new projects rather than existing ones. Long-term funding for infrastructure and core costs (including premises, a particular area of concern) are not widely available. There is a need for consistent long-term funding and further pooling of finances by funders which is already happening in some cases.

- 9.3 Related to funding, although formal processes and monitoring are important, the potential of the VCS to deliver services may be prevented by excessively inflexible tendering and contractual processes and monitoring requirements of public sector partners. Statutory agency internal commissioning and contracting arrangements which do not accommodate the nature of local organisations were mentioned as a barrier to the potential growth of the sector. Contracting processes place significant demands on VCS groups and there is a need for legal, financial and administrative support for organisations with little infrastructure.
- 9.4 The increasing level of joint commissioning between the local authority and the Primary Care Trust will require a co-ordination of tendering and contracting arrangements and possibly the harmonisation of the procurement standing orders of each organisation. With greater emphasis on area assessment and provision, joint arrangements may well be extended to other organisations.

## **10. BOROUGH TREASURER'S COMMENTS**

Any funding arrangements with the VCS need to be in place in advance of the financial year to enable the voluntary sector to adequately plan for the year or years ahead. Any financial assistance needs to be correctly documented to ensure transparency and accountability.

## **11. BOROUGH SOLICITOR'S COMMENTS**

It is clear from this report that the Council has a key role in supporting the voluntary sector. It is also clear that the Council must strike a balance between encouraging the participation of the voluntary sector and ensuring the participation of the voluntary sector and ensuring that we protect the Council's interests. We must also ensure that we comply with the law relating to procurement. The recommendations in this report appear to strike that balance but action taken under them will have to be kept under review.

## **12. CONCLUSIONS**

- 12.1 Tameside VCS is dominated by many small but long-established groups with minimal funding and limited organisational capacity, together with a few large and/or national agencies which limits the capacity of the VCS to contribute to service delivery.
- 12.2 VCS groups – particularly smaller groups – find the process of entering in to financial agreements with agencies challenging due to their own limited capacity and the complexity and demands of the process as set out by the agencies.

- 12.3 Procurement and contracting rules are designed to ensure that the Council's legal obligations to ensure competition, fairness and transparency in its procurement activity are complied with. Therefore, there is a limit to the amount of flexibility that can be introduced into the procurement process, particularly where it is proposed to treat one sector more favourably than another. It is recognised that the scope within procurement law to positively address the issues facing VCS groups has yet to be fully tested. Nevertheless, this should be explored by the Council and the PCT with a view to developing coherent and proportionate procurement policies.
- 12.4 Although agencies clearly do contract with local smaller and medium sized organisations, an inflexible approach can make it more difficult for them to be able to successfully tender and contract to provide services in direct to large commercial organisations.
- 12.5 It should be noted that the legal issues mentioned above do not prevent the Council from ensuring that all contract terms and conditions (and monitoring processes) are proportionate to the subject-matter and risk of the contract, and not unduly onerous.
- 12.6 There is a sense that whilst the procedures set out by agencies may need to be streamlined, the capacity of some of the smaller VCS groups to negotiate and manage contracts of SLA needs to increase.
- 12.7 The increased joint commissioning between the Council and in particular the Primary Care Trust will require the co-ordination of procurement and contracting procedures between the these organisations and attention should be given to this issue now before joint commissioning gets too advanced. The harmonisation of each organisation's Procurement Standing Orders in this respect should be considered.
- 12.8 The VCS is not always considered as a natural partner for service delivery at the outset and this needs to be overcome if the sector is to successfully compete and provide local services.
- 12.9 There are few social enterprises in Tameside although this is beginning to change.
- 12.10 There is increasing good practice being adopted by some agencies (in particular through the Social Care and Health Joint Commissioning Unit) to stream line contracting processes to benefit valuable smaller organisations.
- 12.11 The VCS is clearly valued by public agencies as providing value for money and there is a willingness to adapt procedures to ensure greater participation by the VCS in service delivery.
- 12.12 Many VCS groups are clearly very ambitious and in tune with the needs of the local population.
- 12.13 The VCS may be able to contribute to the improvement of performance monitoring by suggesting more appropriate measures.
- 12.14 The current modernisation of Mental Health Services which will establish a network of different levels of provision, including by the VCS, may be able to

provide examples of good practice in the strategic involvement of the VCS in service delivery.

- 12.15 There is evidence that the volunteer supply is becoming older and the supply of volunteers needs to be encouraged to enable it to be sustained. Members, however, referred to a recent national initiative to recruit an increased number of younger volunteers.

## **13. RECOMMENDATIONS**

- 13.1 That the Tameside Third Sector Coalition actively target groups expressing clear interest in providing services for public agencies to establish their support needs.
- 13.2 That the provision of specific ad hoc support to VCS groups around negotiating and completing contracts and arrangements Service Level Agreements be considered.
- 13.3 That agencies make greater efforts to seek VCS partners for service delivery at the planning stage.
- 13.4 That agencies receive up to date and accurate information on VCS groups which may be potential partners should an opportunity arise.
- 13.5 That opportunities be created for the VCS and public sector agencies to come together to discuss opportunities for more joint working.
- 13.6 That the opportunities for service delivery are communicated to the VCS in good time.
- 13.7 That policies be developed that provide (where appropriate) for more flexible procuring and contracting arrangements for local smaller and medium sized voluntary and community organisations.
- 13.8 That agencies learn from the best practice currently employed by the Adult Services Joint Commissioning Unit, Neighbourhood and Community Services, to make the requirements of contracts and SLAs proportional to the risks of the service being provided.
- 13.9 That funding arrangements are in place well in advance in order to enable VCS groups to plan for the following financial year.
- 13.10 That learning from the new social enterprise be shared with partners in the VCS and public sector.
- 13.11 That performance monitoring requirements be reviewed to ensure that the information is primarily outcome focused and that all data required is relevant, necessary and not duplicated.
- 13.12 That learning from the modernisation of Mental Health Services be shared with partners in the VCS and public sector including the implementation of the Government's "Choice" initiative.

- 13.13 That good practice when reviewing or renewing service provision using feedback from service users be implemented, to enable the assessment of outcomes and what outcomes customers want.
- 13.14 That an assessment of progress against these recommendations including a repeat of the interviews with VCS groups be undertaken in twelve months from the publication of this report.

## **JOINT SCRUTINY PANEL – VOLUNTARY AND COMMUNITY SECTOR**

### **JOINT REVIEW OF THE STRATEGIC EFFECTIVENESS OF THE VOLUNTARY AND COMMUNITY SECTOR**

**18<sup>th</sup> April 2006**

#### **AIM OF THE SCRUTINY REVIEW EXERCISE**

**To demonstrate the strategic value of the local voluntary and community sector through a joint scrutiny review of the sector by a local authority scrutiny panel in collaboration with the Local Strategic Partnership. To make recommendations to enable the strategic value of the sector to be developed.**

#### **OBJECTIVES**

- A. Map the local voluntary and community sector, identifying the number of organisations, where they are located and what services they can provide.**
- B. Evaluate the contribution to the community of Tameside by the voluntary and community sector, the impact of that contribution and its cost and value.**
- C. Assess the contribution of the community and voluntary sector to the priorities of the Local Strategic Partnership and the Corporate Priorities of Tameside MBC.**
- D. Report with recommendations for the development of the voluntary and community sector and the future practical engagement of the sector in the short, medium and long term.**
- E. Agree mechanisms to monitor and review the recommendations.**

#### **TIMESCALE**

**To report by October 2006**

**EQUALITY and DIVERSITY ISSUES**

To consider how far all types of voluntary and community groups have the opportunity to take a strategic role in supporting the public and private sector.

**VALUE FOR MONEY**

To assess whether services provided by the Voluntary and Community Sector offer value for money.

**DETAILED ACTION PLAN (in broadly chronological order)**

<b>Action</b>	<b>Objective met</b>	<b>Timescale</b>	<b>Lead Scrutiny Panel member(s) and/or Support Officer(s)</b>
(1) Establish a Joint Scrutiny Panel with members of the Local Strategic Partnership	All	Joint Scrutiny Panel met 17.3.06	Howard Boots
(2) Obtain data from T3SC regarding the voluntary and community sector in Tameside.	A	Initial report to scrutiny panel on 17.3.06	Sarah Challoner Howard Boots
(3) Meet and interview Cabinet Deputy with responsibility for the voluntary and community sector and the Community Economic Development Manager	B and C	Meeting of joint panel to be determined.	Joint Scrutiny Panel
(4) Interview a representative from a VCS organisation contracted to the local authority or the provision of services	B and C	April/May 2006	Howard Boots Sarah Challoner
(5) Interview a representative from a VCS organisation that has had particular problems in providing services for the public or private sector or where that provision has closed.	B and C	April/May	Howard Boots Sarah Challoner
(6) Interview a representative from a VCS organisation that has tried to provide services but this has not been taken up.	B and C	April/May	Howard Boots Sarah Challoner



<b>Action</b>	<b>Objective met</b>	<b>Timescale</b>	<b>Lead Scrutiny Panel member(s) and/or Support Officer(s)</b>
(7) Interview a representative from a VCS organisation that does not want to make the formal provision of services to a public or private organisation.	B and C	April/May	Howard Boots Sarah Challoner
(8) Interview a representative from a VCS organisation that is unaware of the potential to deliver services.	B and C	April/May	Howard Boots Sarah Challoner
(9) Meet and interview Tameside MBC Head of Procurement, Contracts Solicitor and Head of Contract s at Tameside and Glossop PCT	B and C	June/July	Joint Scrutiny Panel
(10) Evaluate the information received perhaps with a reference to the CfPS.	D	August/September	Joint Scrutiny Panel
(11) Agree monitoring mechanisms and report to LSP, Council and CfPS	E	October	Joint Scrutiny Panel

## Joint Scrutiny Panel

### Review of the strategic effectiveness of the voluntary and community sector in Tameside

#### Mapping the Voluntary and Community Sector

May 2006

#### 1. Introduction

- 1.1 This briefing paper addresses the first objective of the scrutiny review which was to 'map the local voluntary and community sector, identifying the number of organisations, where they are located and what services they can provide'.
- 1.2 This briefing paper attempts to provide a picture of the voluntary and community sector (VCS) in Tameside. The information presented here is drawn from the database of the Tameside Third Sector Coalition – Tameside's Council for the Voluntary Sector. There are around 800 voluntary and community groups registered on the T3SC database. Within the last twelve months all existing groups were asked to verify information and all new groups are asked to provide the same information.
- 1.3 T3SC is employing a consultant to develop the database and to enable information to be analysed more easily and in many more ways. Analysis of the database is currently limited by the ability of the system to cross-reference different types of information. For example, it is not easy to correlate which activities are targeted at particular sections of the community, or the age of groups operating in a particular area. The accuracy of the database is also dependent on the quality of the information submitted by groups.
- 1.4 Information from "The UK Voluntary Sector Almanac 2006" published by the National Council for Voluntary Organisations is included in this briefing paper to provide comparison with the national picture.
- 1.5 T3SC recently commissioned a private organisation, 'Get Heard', to map the contribution of the VCS in Tameside to the area of social care and health. The 'Get Heard' report provides complimentary information about the make-up of the sector and is included in this
- 1.6 report where relevant. The full report has been appended to this briefing paper for information.

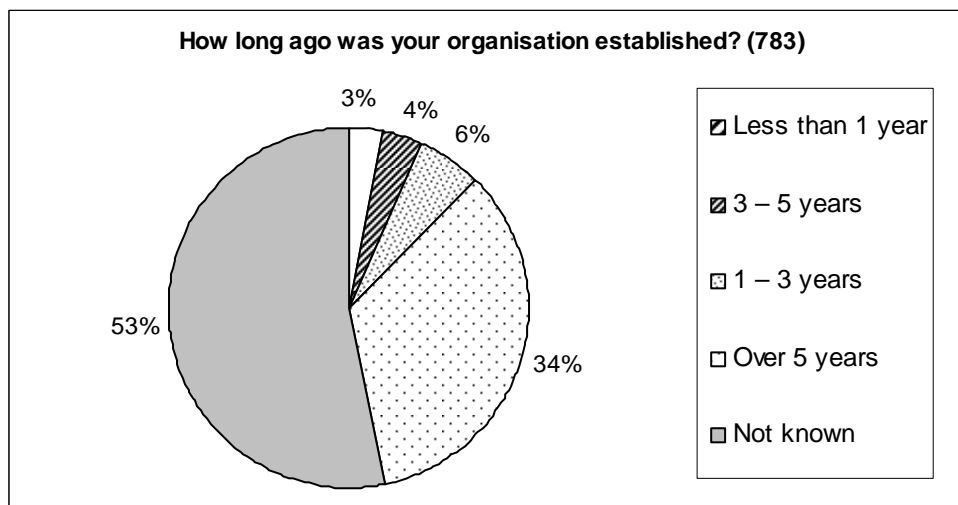
#### 2. Summary

- 2.1 There is a large number of very small and long-established voluntary and community organisations in Tameside. There are few large national organisations with a presence in Tameside.

- 2.2 Most groups operate borough-wide. Least activity takes place around the renewal areas of Ashton, Hattersley and Longdendale where it could be argued the VCS could potentially have a significant role to play in neighbourhood regeneration, social inclusion and civic renewal.
- 2.3 The main activities covered by the VCS are sport and leisure and health and social care. Young people are the main group in the community served by the VCS.
- 2.4 The proportion of groups in Tameside with an income of less than £10,000 is higher the national average.
- 2.5 The proportion of the income of VCS groups in Tameside which comes from the statutory sector appears to be below the national average.

### 3. Age of organisations

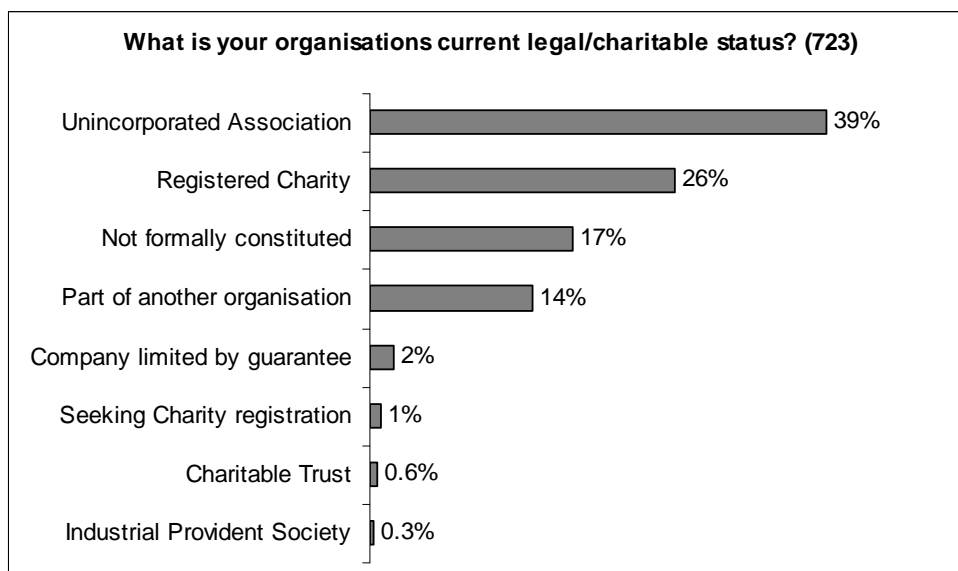
- 3.1 The majority of organisations are long established. Of the 783 groups which provided this information, 34% (268) are known to have been operating for more than 5 years.
- 3.2 Nationally the sector is continuing to grow with 169,000 organisations identified in 2004 compared to 98,000 in 1991. Since 2000 alone, 28,000 groups have emerged<sup>3</sup>.



### 4. Legal and charitable status

- 4.1 Each group will have a legal status, and some will also have a charitable status. Therefore some groups will have been included in more than one category on the graph shown below.

<sup>3</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 3



#### 4.2 Forms of legal status are:

- Unincorporated Association – does not have a constitution but still has a formal governing document, or has another legal form such as a Friendly Society/Industrial & Provident Society/Credit Union, or Co-operative. Examples are wide ranging and include sports clubs, Resident's Associations, and support groups. There are 282 Unincorporated Associations on the database.
- Not formally constituted – maybe new or not set-up formally e.g. mutual/self-help group, although it might have a set of rules. Examples from the database are similar to those who are unincorporated, the significant difference being that they have no formal document or other legal status. These include sports, arts and cultural clubs, support groups, and some church groups. One hundred and twenty-five groups on the database are not formally constituted.
- Company limited by guarantee – has a Memorandum & Articles of Association. An example would be Access Homecare Ltd providing homecare services for residents. There are 15 limited companies on the database.
- Part of another organisation – for example a branch of a national or regional VCO such as St John's Ambulance, Age Concern, and the National Osteoporosis Society. One hundred groups are part of another organisation.
- Industrial Provident Society (IP) – there are only two of these on the T3SC database.

#### 4.3 Forms of charitable status are:

- Registered Charity – registered with the Charity Commission. If a group is registered with the Charity Commission it must have the legal status of a

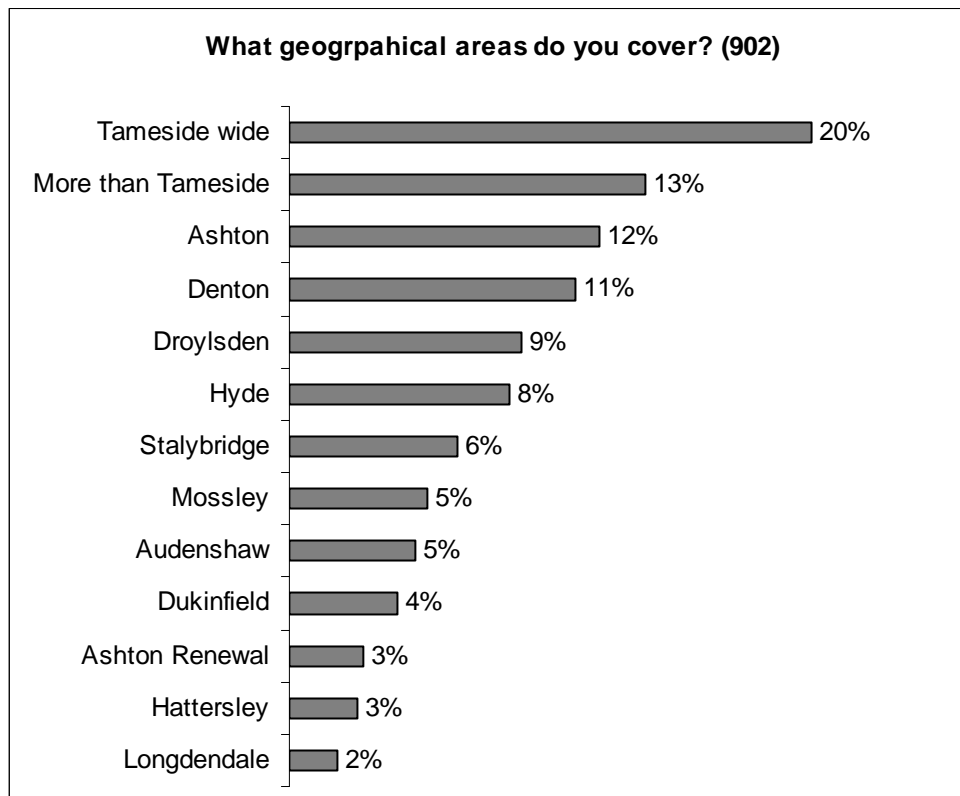
company limited by guarantee, an unincorporated association, or a Charitable Trust. The following are registered charities with different legal status – Tameside Racial Equality Council which is a limited company, the Indian Community Centre which is an Unincorporated Association, and the New Life Church which is a Charitable Trust. There are 188 registered charities in Tameside.

- Seeking Charity Registration – seven groups are currently applying to the Charity Commission for charitable status.
- Charitable Trust – a particular form of Charity not very common in recent years. There are only four of these on the T3SC database

## 5. Geographical areas covered

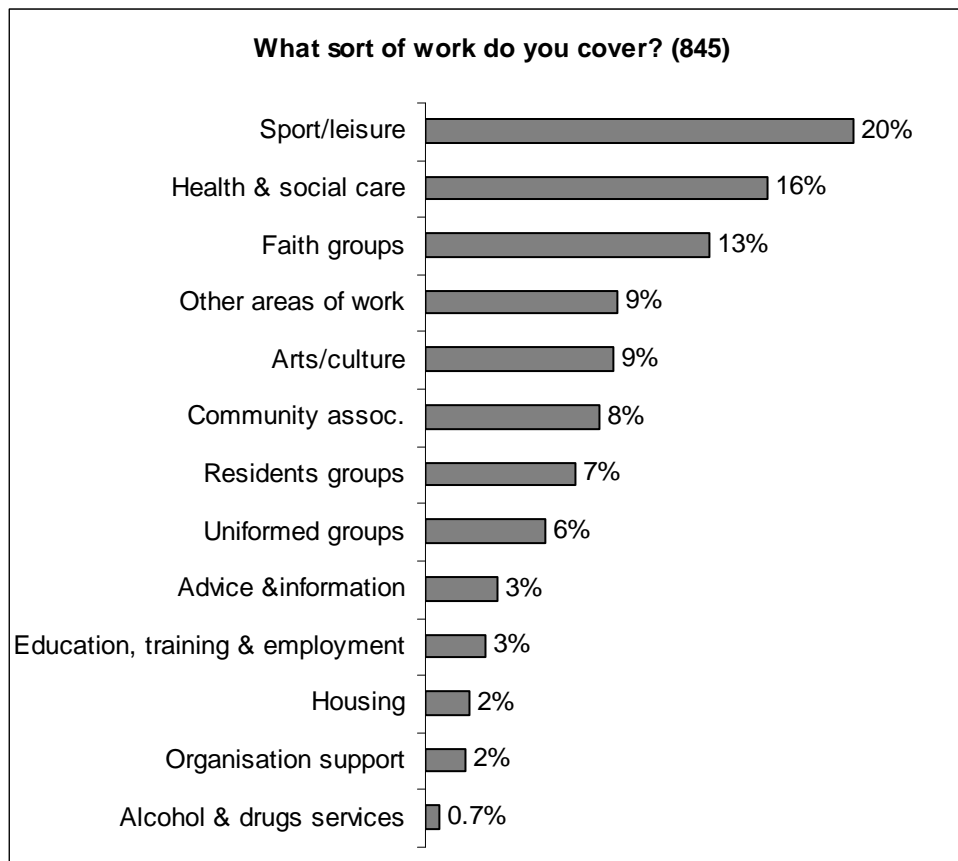
5.1 The majority of organisations operate across Tameside, although where they were specific to one area it tends to be around the larger towns. Groups can operate in more than one area therefore some groups will be included in more than one category in the graph below. In addition some groups may consider themselves as operating across the borough and beyond since they consider membership to be open to all.

5.2 The areas least covered by VCS activity are the **renewal and regeneration** areas of Ashton, Hattersley and Longdendale. It could be argued the VCS has the potential for greatest impact in these areas in terms of neighbourhood regeneration, social inclusion and civic renewal. Sixty four groups (8% of groups) reported that they cover these areas, in addition to those groups operating across and beyond Tameside.



## 6. Activities covered

6.1 Again, groups may be covering a range of activities and will therefore be included in more than one category in the graph below. For example the Citizen's Advice Bureau is included under general advice and housing issues.



6.2 Groups providing **sport and leisure** opportunities make up the largest section of the VCS in Tameside at 20% (171 groups out of 845 entries). These groups cover a range of sporting and leisure including football, fencing, angling, women's groups, martial arts, allotment associations, and pets and wildlife groups.

6.3 **Health and Social Care** activities are covered by the 16% of voluntary and community groups (137 of 845 entries). These range from advice, counselling and support services such as Off the Record and Branching Out, interest groups such as Our Kids Eyes and the Multiple Sclerosis Society, and more service-driven groups such as Shop Mobility, playgroups and day centres.

6.4 The report by 'Get Heard' carried out further investigation of those organisations on the database identifying themselves as providers of social care and health support. After clarification of their role 92 organisations were identified as making a key contribution to health and social care in Tameside, although it was estimated that up to 300 other organisations may be making some kind of contribution.

- 6.5 **Faith groups** make up 13% of groups (114 of 845 entries), covering a range of religions and denominations. These are predominantly individual churches, mosques and other venues although there are also forums such as Churches Together and the Tameside Fellowship of Churches.
- 6.6 Ten percent of groups (77 of 845 entries) consider themselves to be providing **other activities** than those listed. These include large organisations such as Age Concern who state that they provide 'any thing pertinent to older people' in addition to those listed, as well as other groups such as the RSPCA who provide for animal welfare, Longdendale Bypass Siege Committee which is recorded as a 'campaigning' organisation, and the Rotary Club which helps improve the quality of life in the community. However, there are a number of groups which could have been recorded under one of the pre-determined categories such as the Air Training Corps which records its activities as 'aeronautical training' but could have been recorded in the category of education, training or employment.
- 6.7 Seventy five groups cover **arts and culture** activities (9% of 845 entries). The range of activities include the performing arts (drama, music, dance etc) and the creative arts (painting, writing, textiles etc). Groups covering other forms of cultural activities include the Mossley French Conversation Club and Living Memories of Hyde. There are also groups organised around events such as the Denton and Audenshaw Carnival Association and the Mossley Folk Festival. There are groups which cover different cultures including the South Asian Music Ensemble and the African Undugu Support Group.
- 6.8 Groups which describe themselves as a **community association** number 70 out of the 845 entries (8% of entries). These are generally based around geographical communities (for example Audenshaw Community Association, Baron Road Allotment Association, and Millbrook Youth and Community Association) or communities of interest (for example the Bangladeshi Welfare Association and the Indian Community Centre).
- 6.9 There are 60 **residents groups** based around geographical areas of residence (7% of 845 entries). Although there are some groups which represent larger areas (for example Denton Homewatch) residents groups tend to represent smaller residential areas at neighbourhood, building/estate, or street level (for example the Copley Resident's Association, Cavendish Mill Resident's Association, and Heaton Street Resident's Association).
- 6.10 **Uniformed groups** make up 6% of groups (48 of 845 entries). These include Scout groups, Boys' Brigades, Rainbows, Brownies, Guides, and Sea Cadets.
- 6.11 Twenty nine groups are listed as providing **advice and information** (3%) on such topics as alcohol and drugs, diabetes, and multiple sclerosis as well as general advice to a wide range of communities (for example the Citizens Advice Bureau) or to specific sections of the community including Tameside Racial Equality Council and the Information Shop for Young People.
- 6.12 Three percent of groups cover some form of **education, training and employment** (24 groups). These include Cavendish Mill Resource Centre, Drumscool, Volunteer Reading Group and Tameside Speakers Club.

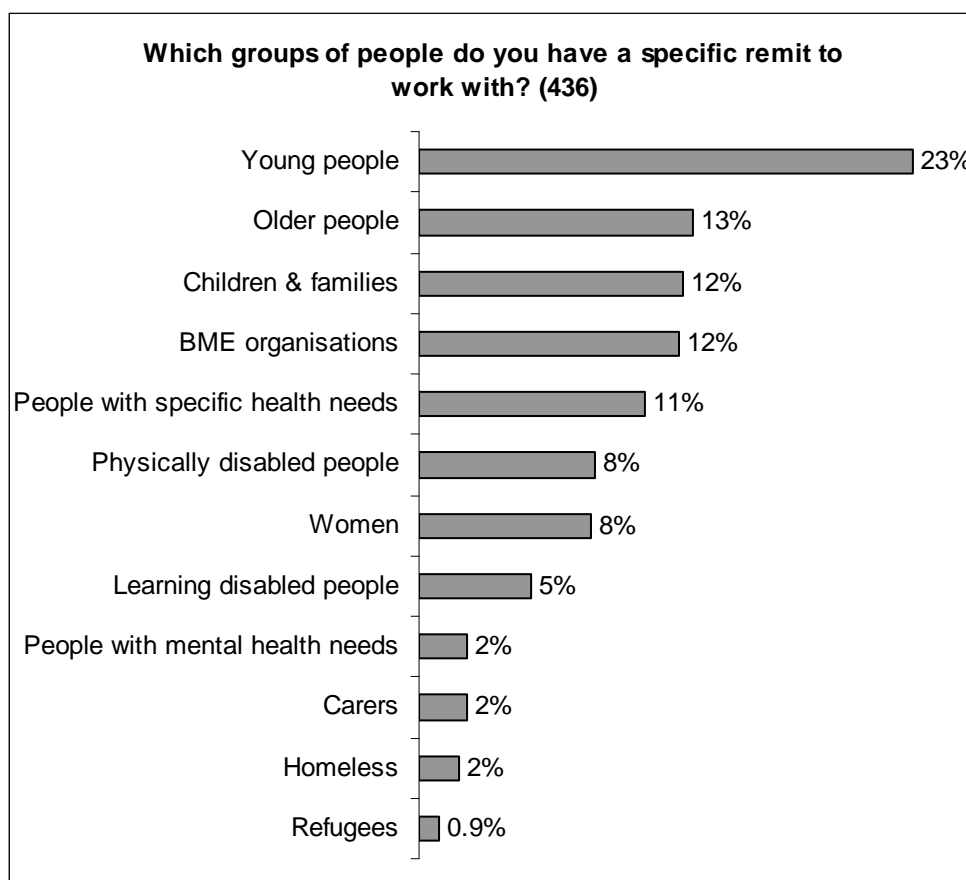
6.13 **Housing** is covered by 2% of groups (18 of 845 entries) and includes general housing advice and assistance (Citizen’s Advice Bureau and Sure Start) to specialist assistance for particular sections of the community (Royal Airforce Association and Women in Supported Housing). Not for profit housing providers and associations are also represented here, for example English Churches Housing Group, Accent North West, and Irwell Valley Housing Association.

6.14 Sixteen groups (2% of entries) are recorded as providing **organisation support**. These groups report that they provide help and advice to other groups.

6.15 **Drugs and alcohol** support services are provided by less than 1% of groups (6 entries of 845). This includes Alcoholic Anonymous, Branching Out, Opportunity Knox (group for young people), and Chorotaria Leiva Patidar Samaj (a support group for children, young people and families in the Indian community in the North West).

## 7. Sections of the community covered

7.1 Groups registered with the T3SC database may cover more than one group in the community. For example, MENCAP, the learning disability charity, serves people with mental health needs, learning disability, and their families and carers.



7.2 The largest section of the community served by the voluntary and community sector is **young people**, with 101 organisations (23% of those on the database)



providing for this group. Activities include sport (for example the Karate Club in Droylsden, the Tameside Girls Football Club, and All Saints Basketball Club), art and culture (for example Mossley Woodcraft Folk Youth Group, Hyde Bangladeshi Youth Association, and Bethan's Accordion Band), uniformed groups (scouts, guides and Air Training Corps) and information and advice services (Off the Record, the Information Shop for Young People, and Branching Out).

- 7.3 **Older people** are catered for by the second highest number of voluntary and community groups (13% or 56 groups of the 101 entries). These include social groups (e.g. the Time of Your Life Club, Hyde Clarendon Over 50s Club, and Micklehurst Eldery Social Scene), recreation and hobbies (e.g. Mossley Old Time Dancing Club, Denton Local History Club, and Living Memories of Hyde), groups providing services (e.g. Shop Mobility, Hyde Luncheon Club, and Khush Amid Day Centre), and groups providing advice, information and Support (e.g. Arthritis Care and the Bereavement Support Service). Age Concern provides a range of services including day centres, advice, and the approved handyman service.
- 7.4 Voluntary and community groups which serve **children and families** make up 12% of groups (54 of 101 entries). As with groups for young people and older people, these generally cover a range of social, recreational and cultural activities as well as some support and advice services.
- 7.5 Groups which cover the **black and minority ethnic community** also make up 12% of voluntary and community groups on the T3SC database (53 out of 101 groups). This is a significantly large proportion of groups since the BME population makes up less than 7% of the population in Tameside. There are a number of religious groups which cover the BME community as well as social and cultural groups, activities for young people, and services for older people.
- 7.6 Eleven percent of groups on the T3SC database are registered as serving **people with specific health needs** (there are 46 groups in total out of 101 in this category). These cover a range of health problems such as arthritis, diabetes, muscular dystrophy and drug abuse. Groups provide support for individuals and their families such as Multiple Sclerosis Society, Alcoholics Anonymous and the Tameside Breathe Easy Group.
- 7.7 **Physically disabled people** are covered by 8% of groups (36 of 101 in this category). Groups provide opportunities for support and socialising as well as services for people who have a physical disability including visual and hearing impairment and mobility problems. Examples include Mossley Blind Club, Kingfisher Riding for the Disabled, and the Disabled Drivers Association.
- 7.8 Of the 101 groups providing information about the sections of the community they cover, 8% (35 groups) report they provide opportunities for **women**. These are groups providing social, recreational, and cultural activities as well as support and advice, but no specific services. Examples include women's clubs, associations and guilds, groups for BME women (the Bangladeshi Women's Club), Women in Supported Housing, and the National Endometriosis Society.
- 7.9 **People with a learning disability** are covered by 5% of groups (23 of 101 groups providing this information). Many of these groups serve other sections of

the community and will already have been included in the information above for example MENCAP and Riding for the Disabled. These groups provide support (general and specific including housing and sexual health) and opportunities for personal development and socialising.

- 7.10 Just 2% of groups (10 groups in total) provide specific support to **people with mental health needs**. Again these offer advice, support and information (for example MIND and SCOPE) and social and recreational activities.
- 7.11 **Carers** are also served by 2% of groups (10 groups of 101 providing information). These include support group for families and carers of people suffering with particular health needs such as Branching Out and MENCAP as well as specific support for carers in the form of the Tameside Family Carers Group.
- 7.12 Of 101 groups, 2% (8 groups) provide support for the **homeless**. Many of these are housing associations and providers as well as social and recreational groups such as Groundwork Tameside.
- 7.13 There are 4 groups (less than 1% of 101 on the database providing information) which provide support for **refugees**. These are the Tameside Racial Equality Council, the Saint Anne's Refugee Resource Centre, The Tameside African Refugee Association, and a welfare group for the Bangladeshi community.

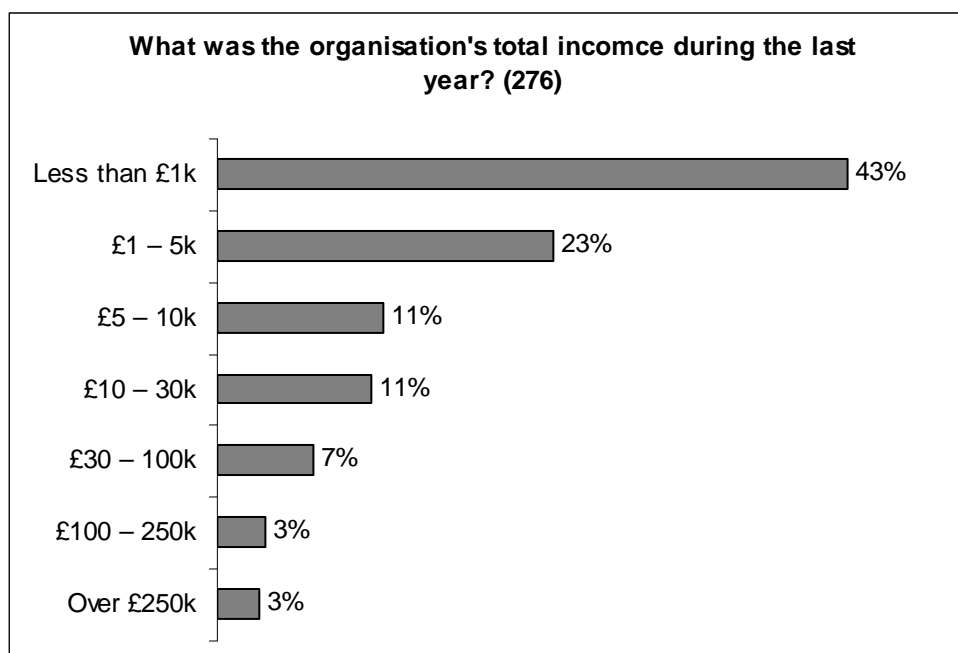
## 8. Income levels

- 8.1 Of the 276 organisations on the T3SC database providing financial information, two-thirds had an income of less than £5000 in 2004/05 (43% less than £1000 and 23% £1-5000).
- 8.2 Nationally it is estimated that over half of groups (56%) have an income of less than £10,000<sup>4</sup> compared to 77% of groups in Tameside.
- 8.3 The number of large charities in the UK with an income of over £1m has more than doubled since 1995, as has those with an income of over £10m<sup>5</sup>.
- 8.4 There is a notable absence of large voluntary and community sector organisations either based or operating in Tameside with or without contractual arrangements with the statutory sector. Large organisations with a presence in Tameside include NCH (commissioned to deliver the Children's Fund in Tameside), Barnardo's (contracted to provide home support for families with young children through two Sure Start programmes), MIND, Citizen's Advice Bureau (contracted to provide advice services), and Age Concern (contracted to provide a range of health and social care and other services for older people), and Groundwork (commissioned to provide a range of community development and social inclusion services and projects), Childline and the NSPCC (both have delivered ad hoc work in Tameside schools).

---

<sup>4</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 4

<sup>5</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 4

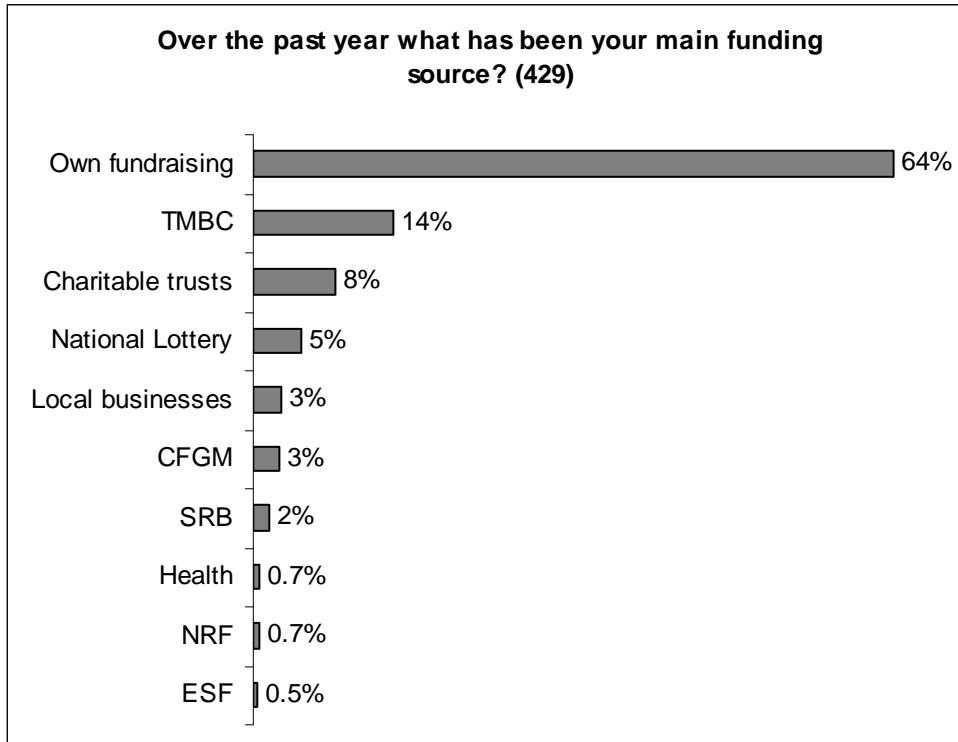


## 9. Income sources

- 9.1 The vast majority of organisations (64% or 275 of 429 providing information) rely on their own fundraising, with only 14% (60 groups) receiving funding through Tameside MBC. The majority of the remaining funding is through a variety of sources, especially the National Lottery and local businesses.
- 9.2 Nationally, the public sector contributes 38% of the VCS income, an increase from 2001/02. Of this more than half is in the form of fees for the delivery of services rather than grants<sup>6</sup>. In Tameside, there has also been a move away from grants to contracts and service level agreements with VCS groups.
- 9.3 At a meeting of the Joint Scrutiny Panel it was noted that there is an increasing trend to fund voluntary and community organisations through contract and agreements for the provision of specified services. There is concern from the VCS and statutory sector that the funding needed to develop a healthy and vibrant voluntary and community sector is not becoming available despite clear messages from government about the importance of the VCS to local service delivery.
- 9.4 Nationally VCS organisations have been increasingly successful in generating income which is not through traditional fundraising ('voluntary income') but by selling goods or services through social enterprise or the delivery of public services ('earned income'). In 2003/04, 47% of the sector's income was earned income compared to 43% in 2001/02 and 33% in 1994/95<sup>7</sup>.
- 9.5 There are very few organisations in Tameside operating a social enterprise. The most well known examples are Groundwork and the St Peter's Partnership.

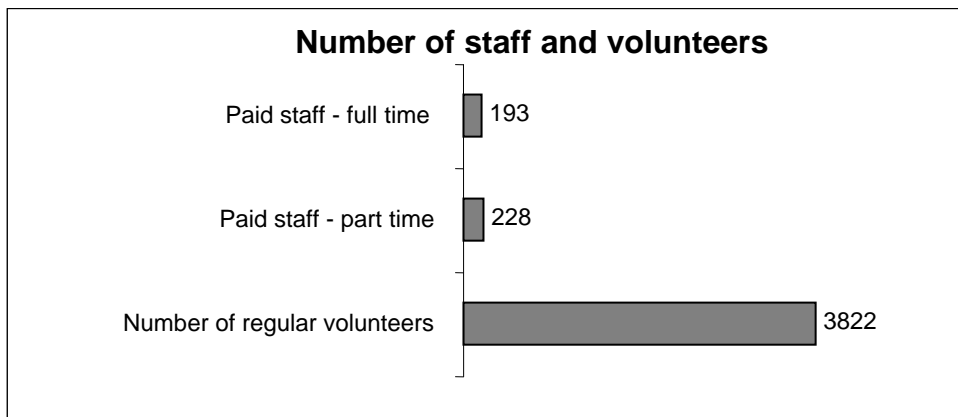
<sup>6</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 8

<sup>7</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 6



## 14. Staff and Volunteers

14.15 Throughout Tameside there are 193 full time paid staff in the sector, 228 paid part time staff and 3822 regular volunteers. Fifty voluntary organisations in Tameside employ 193 full time staff and of these, two organisations (Groundwork and Citizens Advice Bureau) employ 52 full time staff.



14.16 Nationally, the VCS workforce continues to grow. Between 2000 and 2004 VCS employees grew by 45,000 to 608,000. This equates to 488,000 full time staff. VCS employees make up 2.2% of the paid workforce in the UK<sup>8</sup>.

<sup>8</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 8

- 14.17 Around 42% of the population in England and Wales volunteers formally at least once a year. Latest figures for 2003 found that 29.2million adults volunteered at least once a year and 13.2 million volunteer at least once a month<sup>9</sup>.
- 14.18 It is estimated that the contribution made by formal volunteers equates to 1.1million full-time UK workers at a value of £25.4 billion (based on the national average wage)<sup>10</sup>.

---

<sup>9</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 9

<sup>10</sup> National Council for Voluntary Organisations, *The UK Voluntary Sector Almanac 2006*, page 10

## Joint Scrutiny Panel

### Review of the strategic effectiveness of the voluntary and community sector in Tameside

#### Views and experiences of the Voluntary and Community Sector and Statutory Sector in Tameside

November 2006

#### 1. Introduction

- 1.1. The purpose of this paper is to present the findings of a series of structured interviews with voluntary and community sector organisations and statutory agencies on the role of the voluntary and community sector (VCS) in service delivery.
- 1.2. The purpose of the interviews was to explore the experiences of both sectors regarding service provision by the VCS. A standard set of questions was devised for each sector (some questions were altered slightly after initial interviews to make them more appropriate to all types of group and agency). These are attached in full at appendix one. In summary, the questions covered:

##### **Voluntary and community groups**

- Background information about the organisation including history, activities covered, geographical area covered, sections of the community served, income levels and sources, staff and volunteers.
- Contracts held, experience of the contracting process, contract monitoring, good practice, and/or general funding experience
- Capacity to increase services provided under contract and potential barriers to this.
- Suggestions for increasing the capacity of the voluntary and community sector to provide services to the statutory sector.

##### **Statutory Agencies**

- Background information about the organisation including purpose and area covered.
- Services commissioned from the voluntary and community sector, experience of the contracting process, contract monitoring, good practice and/or experiences of working with the voluntary and community sector.
- Potential for increasing the level of services commissioned from the voluntary and community sector.

- 1.3. This paper also helps to address two objectives of the scrutiny review which were to:
- Evaluate the contribution to the community of Tameside by the voluntary and community sector, the impact of that contribution and its cost and value.
  - Assess the contribution of the community and voluntary sector to the priorities of the Local Strategic Partnership and the Corporate Priorities of Tameside MBC.
- 1.4. In total 31 interviews were carried out. Eleven interviews took place with representatives from 4 statutory agencies and 20 interviews took place with 20 different voluntary and community sector groups.
- 1.5. Statutory agencies interviewed were:
- Tameside Metropolitan Borough Council (Services for Children and Young People, Social Care and Health, and Joint Procurement)
  - Tameside and Glossop Primary Care Trust (Commissioning Officers)
  - Pennine Care Mental Health Trust (various sections including Children and Adolescents Mental Health Service, Community Mental Health Team, and the Substance Misuse Service)
  - Greater Manchester Police
  - Tameside and Glossop NHS Acute Trust
- 1.6. Voluntary and community groups interviewed were:
- Alcoholics Anonymous
  - Age Concern Tameside & Glossop
  - Barnardos
  - Branching Out
  - Citizen's Advice Bureau
  - Groundwork
  - Homestart Tameside
  - Homestart Wigan

- Information Shop for Young People
- Micklehurst Elderly Social Scene (MESS)
- MIND
- Off the Record
- Our Kids Eyes (OKE)
- Probin Mela (luncheon club for older Asian men)
- Shopmobility
- St Peters Partnership
- Tameside Link
- Victim Support
- Women In Supported Housing
- Water Adventure Centre

1.7. Voluntary and community groups were carefully chosen in order to assess the experiences of VCS groups of different sizes, from a range of backgrounds and with various links to public sector agencies. As the review progressed other organisations were identified by the Scrutiny Support Unit or suggested by other parties as being useful to the review.

1.8. The Scrutiny Support Unit set out to interview voluntary and community groups which had different experiences of working with statutory agencies including:

- groups with a well-established history of providing services on behalf of statutory agencies;
- groups which have previously provided services under contract but no longer do so;
- groups which do not provide services.

1.9. A detailed profile of the voluntary and community groups interviewed is attached as appendix 2.

1.10. The findings from the interviews are presented below under the following headings:

- Formal contracting and commissioning of services
- The wider funding experiences of VCS groups



- The value of the VCS and potential for growth
- Barriers to and enablers of growth

## **2. Summary of findings**

- 2.1. Some of the groups interviewed demonstrated extensive experience of managing large contracts with the statutory sector.
- 2.2. A common experience of VCS groups was insecurity over funding. Accessing and securing funding in various forms (traditional fundraising, grants and contracts) was a time-consuming and demanding process for managers and coordinators in the VCS. Short-term or delayed funding could impact upon the ability of the organisation to maintain services and to recruit and retain quality staff.
- 2.3. Shared goals, mutual understanding and flexibility were the main features of successful funding relationship between the VCS and statutory sector.
- 2.4. There is clear commitment amongst some sections of the statutory sector in Tameside to promoting the delivery of services by the VCS. Some were making practical changes to funding arrangements to maximise this potential (e.g. more proportional contractual arrangements, securing contracts through 'preferred providers' rather than open tender, and creating partnerships between VCS and private sector organisations where the VCS was unable to provide services independently).
- 2.5. Some agencies also promoted amongst VCS groups the importance of adapting to changes in the priorities and policies of statutory agencies to increase the possibility of securing contracts.
- 2.6. The VCS focuses more on outcome based monitoring information as well as basic quantitative data. There is a growing move by statutory agencies towards a greater focus on monitoring the outcomes of contracts and the impact on individuals and communities.
- 2.7. Whilst the value of the VCS is not questioned by the statutory sector and there are many examples of successful, professional VCS organisations, there are some concerns about the capacity of the VCS in Tameside to meet potential demand and compete with public and private sector providers – this is perhaps shown by the efforts of some officers to shield VCS partners from market-testing.
- 2.8. There is room to improve the culture of partnership working between the VCS and the statutory sector.

### **3. Formal contracting and commissioning of services**

3.1. This section contains feedback from interviewees from both sectors on the their experiences of the contracting and commissioning process involved in securing services from the voluntary and community sector. This includes an outline of current contracted services, consideration of the contracting process, and views on contract monitoring arrangements.

3.2. The interviews demonstrated extensive experience of some groups in Tameside of managing large contracts with various statutory agencies.

#### **3.3. Outline of contracted services**

3.3.1. Of those VCS groups interviewed, nine had contracts or Service Level Agreements (SLAs) with one or more statutory agencies in Tameside. These contracts/SLAs ranged in financial value from around £3,000 per year to around £515,000 per year. Some were with one agency whilst others were joint contracts with two or three agencies.

3.3.2. Some groups had contracts with statutory agencies outside of Tameside (instead of or in addition to those with arrangements with Tameside-based statutory agencies). These agencies included Derbyshire County Council, Manchester City Council, and government departments and programmes – the Home Office, Job Centre Plus, and Supporting People).

3.3.3. Services provided under contract by the VCS groups interviewed and services contracted by the Tameside-based statutory agencies included:

- Day Centres for Older People
- Bereavement Support
- Hospital Aftercare
- Delivery of Children's Centres
- Case work with young people with drug and alcohol misuse problems
- Advocacy for older people in residential homes
- Provision of opportunities for the unemployed
- Provision of culturally appropriate luncheon club
- Individual and group support sessions for people with mental illness

3.3.4. Not all statutory agencies interviewed have contracts with the VCS because it is not within their remit to do so (specifically Pennine Care Mental Health Trust and Greater Manchester Police). Instead, they may receive services from or work with VCS (for example, Pennine Care can develop care packages for clients which may include services from the VCS but these services are

commissioned by the PCT; Greater Manchester Police do not commission services from the VCS but they work with VCS groups such as Neighbourhood Watch schemes).

- 3.3.5. A complimentary piece of work has also recently been carried out by the Policy Unit. This provided detailed information about the level and type of funding provided by the Council to the VCS. This shows that the Council currently funds the VCS to the value of £2.9-3m per year in addition to in kind support in the form of advice.

#### 3.4. **Contract process**

- 3.4.1. Interviewees involved in contracts or Service Level Agreements (SLAs) were asked for their views on the process of agreeing contracts/SLAs. There appeared to be considerable variation in the experience of the contracting process which depended largely on the procedures and attitudes of the statutory agency or sections within agencies and the demands these placed on VCS groups. The individual relationship between the VCS organisation and statutory sector offices also appeared to determine the experience of the process. One interviewee from the VCS described the contracting process as a 'minefield', marked by poor communication and complex procedures. Other VCS groups had more positive experiences and spoke of openness, flexibility and good relationships with the statutory sector.
- 3.4.2. For some VCS groups, the contracting process was time-consuming and complex. Managers/Coordinators from the sector dedicated considerable time and effort to the process which requires high levels of experience and skill in order to achieve a successful outcome for the organisation. Some interviewees compared the resources that each party in a contracting process is able to dedicate to the process in terms of time and skills.
- 3.4.3. There was a feeling amongst some VCS groups and other statutory agencies interviewed that the contracting processes of some statutory agencies (TMBC in particular) are not always appropriate to the nature of the work of VCS and the capacity of the VCS in terms of both time and expertise to meet the demands of the contracting process. Some groups felt that even where service managers from the statutory agencies were keen to work with the VCS, the details of the legal and financial requirements could delay and overcomplicate the contract. The contracting process may be a hindrance to some VCS groups and therefore reduce choice in service provision for the community.
- 3.4.4. Many interviewees from both sectors called for appropriate levels of complexity with regard to the contract/Service Level Agreement; the complexity of the agreement should be relative to the level and type of services being provided. TMBC Social Care and Health Procurement Team were hoping to introduce a two-tier tendering process. This would involve less onerous requirements for smaller contracts and more complex requirements for larger contracts. This already appeared to be applied to an existing contract for the provision of a small-scale, basic but specialised service. The contract was not overly complicated and all parties were clear on the service expected and the financial arrangements. The organisation had a very positive relationship with the Social

Care and Health Procurement Team and felt supported in managing the contract.

- 3.4.5. Other statutory agencies were also aware of the demands of the contracting process on VCS groups. This was felt to be a combination of possible lack of expertise in the VCS and overly complex contracting process. It was felt that the VCS were often 'not geared up' for complex contractual arrangements and some are not able to compete with private sector companies. On the other hand inflexible tendering and contractual processes and requirements were felt to hinder the potential of the VCS to be a significant service provider in Tameside.
- 3.4.6. Examples were given of efforts by the Social Care and Health Procurement Team to maintain VCS providers over other providers. A decision had been made not to put the services in question out to tender or to 'market-test' the VCS providers since it was unlikely the groups would be able to demonstrate competitiveness against a potential private sector bidder. It was felt that the groups demonstrated significant value to the community which went beyond the financial cost of the service to the statutory agency. Private sector providers, it was felt, would be less likely to be able to bring the same particular skills and ethos to the service as those of the VCS providers.
- 3.4.7. Other agencies were also attempting to support the VCS in service delivery. Within the health service, attempts are being made to create a partnership between a Tameside VCS group and a Manchester based private sector company to provide the service rather than have no input from a Tameside VCS organisation.
- 3.4.8. Alongside the two-tier contracting process mentioned above, the Social Care and Health Procurement Team were hoping to introduce a clear, open and transparent weighting system for awarding contracts which would recognise the particular value of VCS tendering for contracts such as local presence and involvement in partnerships.
- 3.4.9. The Social Care and Health Procurement Team also felt it was important to help VCS groups adapt to the changing policies of statutory agencies and service requirements in order to maintain contracts in the face of competition from the private sector.
- 3.4.10. Feedback from some VCS groups indicated that other sections of the Council may benefit from considering the good practice demonstrated by the Social Care and Health Procurement Team.
- 3.4.11. In terms of contractual procedure the PCT was regarded by some VCS groups as more flexible about the details of contracting whilst TMBC was felt to have very strict requirements and not always accommodating of VCS groups' particular situations.
- 3.4.12. One explanation for the greater flexibility of the PCT is the absence of contracting provision. A representative of the PCT concurred that there was lower capacity in the PCT for the contracting and procurement process. Therefore in many joint contracts with TMBC, the PCT relied on the Council to

provide legal and financial support and therefore contracts were arranged according to the requirements of TMBC legal and financial procedures.

3.4.13. A common experience mentioned by VCS groups was insecurity over funding (this is discussed more fully in section 4). Short term or delayed funding, including through contracts, can seriously affect the ability of an organisation to provide services. An example of this was given by one VCS group interviewed. When the organisation was interviewed in May 2006 it was still waiting for changes to be made to the joint funding agreement and funding released for the financial year 2006/07 which began in April. As a result the organisation was potentially facing serious financial difficulties. With regard to funding in general, a further interviewee from the VCS felt that in order to prevent uncertainties, potential staff losses, and threat to services funding would need to be secured by December prior to the beginning of the financial year the following April. This time factor is an important consideration for statutory agencies which are considering procuring services from the VCS.

3.4.14. With regard to the example used above, feedback from one of the statutory agencies involved explained that the delay was caused by efforts being made to improve funding arrangements for the VCS organisation. Individual contracts with different statutory bodies were being brought together under a joint contract in order to avoid duplicating the same activities and ensuring that the various services provided by the VCS organisation were funded. Making these arrangements had taken longer than anticipated.

### 3.5. **Contract management and monitoring**

3.5.1. Some groups felt that some monitoring information required as part of a contract with a statutory agency was superfluous and some were not always aware of what happened to this information and how it was used once it had been submitted.

3.5.2. In addition, some VCS groups felt that the type of monitoring information required could be improved. Often, contracts required quantitative and basic measures of activity whereas VCS groups were more concerned with the outcome of the activities and the practical benefits to clients over time rather than simply quantitative data about the number of clients seen and when. Many VCS groups collected outcome related data for their own purposes and some provided outcome related information voluntarily as part of periodical contract monitoring meetings.

3.5.3. Many VCS groups with contracts provided similar monitoring data to different bodies placing additional time pressure on the managers of VCS groups.

3.5.4. For one representative of a statutory agency the VCS was very good at providing monitoring information. The officer explained that monitoring has traditionally been very strict and often more so for VCS groups than for the private sector. Because of this, the VCS is perhaps more capable of providing monitoring data than some private sector providers.

3.5.5. The same officer felt that the tendency for contracts to require overly detailed quantitative data was changing. There is a move to 'measuring more things that

matter' rather than simply client numbers and waiting times for example. There are also more attempts being made to request data that would be useful to the VCS groups itself.

3.5.6. One agency also expressed a need to move away from 'tick boxes' when monitoring contracts with the VCS and consider the outcomes of services and the impact on clients and communities.

3.5.7. A further suggestion by a statutory agency to improve monitoring arrangements was the inclusion of all stakeholders' views of the quality of services including the commissioning body, service users and the provider itself.

### 3.6. **Good practice in contract arrangements**

3.6.1. The statutory agencies interviewed offered examples of good practice which they were either already implementing or which could be promoted. The VCS also highlighted similar examples of good practice.

3.6.2. One common area of agreement was over the duration of contracts. Many VCS groups had benefited from a move by statutory agencies to more long term contracts, generally 3 years but also up to 5 years, which are reviewed annually, some with the option to continue the contract in the future. One agency also supported VCS groups in establishing strategies for sustainable funding beyond contracts.

3.6.3. In relation to the complexity of contracts, the model currently being developed by the Social Care & Health Procurement Team, which would create contractual arrangements relative to the size of the contract, was felt to be good practice in commissioning services from the VCS.

3.6.4. Good and timely communication between VCS providers and statutory sector commissioners were considered to be the mark of successful contracting processes.

3.6.5. As discussed above, some interviewees from the statutory sector were concerned that exposure to market testing could be detrimental to the VCS because this does not always recognise added value. For this reason, it was felt to be good practice that some contracts have been agreed and/or continued without market-testing and VCS groups are identified as 'preferred provider'. On similar lines, some interviewees from statutory agencies suggested that the VCS should be supported in order for them to compete for tenders, for example following the current reconfiguration of mental health services in the area.

3.6.6. With regard to monitoring interviewees from both sectors recognised that monitoring could be improved in order to reflect the contribution of the service to community outcomes. More streamlined contract monitoring data and a move away from measuring inputs to measuring outputs was felt to be good practice. Less strict monitoring is already being implemented by some agencies.

3.6.7. Joint contracts with multiple agencies – most commonly between the local authority and health authority – were felt to be helpful to the VCS. This often meant more efficient use of agency funds which avoids duplication, streamlines

monitoring and accounting arrangements, and means that VCS groups do not have to chase different pots of money.

#### **4. Wider funding experiences**

- 4.1. This section provides information about voluntary and community organisations' overall experiences of accessing funding in general. This separate section has been dedicated to funding because accessing and managing funding was found to be a major influence on the experiences of the groups interviewed. Consideration of the funding experiences of the VCS may contribute to a better understanding of current and potential contributions to community outcomes and how to move forward.
- 4.2. With rare exception the groups interviewed felt that accessing funding was a major preoccupation (this is echoed in recent consultation with the VCS in Tameside by a Scrutiny Panel and by the T3SC which both showed that funding was regarded as the main concern and funding advice as the main need of the majority of groups). To varying degrees funding influenced the level and type of activity carried out by the groups.
- 4.3. Groups described the experience of securing funding. Some groups interviewed were successfully managing funding arrangements but others had less positive experiences.
- 4.4. Funding sources can fluctuate according to central and local government initiatives and policies. Often initiatives are time-limited with funding to match. This adds to groups' difficulties in long-term financial planning as they must be aware of and adapt to changing policies and the funding that goes along with them.
- 4.5. Although the Lottery fund was a significant source of income for many groups, some organisations preferred not to access this source funding since it was short-term and generally only for new projects. These groups preferred to fund core activities over the longer-term rather than establish new activities which would come to an end with the Lottery grant unless other funding was found, thereby raising the expectations of service users and putting additional pressure on the organisation to identify alternative funding.
- 4.6. Like the Lottery fund, many 'pots' of funding are short-term, generally on to three years. This requires continuous financial planning and efforts to ensure the sustainability of organisations and projects. Managers and coordinators interviewed spent considerable time chasing funding to the extent that one co-ordinator had to give up any case-work with clients in order to concentrate on the organisations funding issues.
- 4.7. Groups interviewed spoke of the effects of the 'shortermism' of many funding sources including contracts and service level agreements. Annual funding makes long-term planning more difficult and required groups to continuously identify funding for the following year taking managers/coordinators away from the core activity of the organisation (as already mentioned in 4.6).

- 4.8. Short-term funding also has an impact on recruitment and retention of paid staff. Some groups spoke of the tendency for staff to begin looking for other posts if organisations are unable to provide assurances that their posts will be funded. This potentially affects the quality of the service as there may be a high turnover of experienced staff.
- 4.9. A further funding issues affecting the VCS in general is competition for finite pots of funding. This even occurs between branches of the same national organisation
- 4.10. One group had recently been relaunched after funding had previously ended and no more could be found. The group has a significant case-load and a positive history of supporting its client group but continues to be unable to secure funding from any local statutory agencies. In contrast a branch of the same organisation in a neighbouring authority is contracted by the local authority to provide the same service across the borough and also has a contract to deliver one of the areas Children's Centres.
- 4.11. This group also highlights the fact that many VCS groups are part of a national organisation in name only. They are akin to franchises of the national body which enables them to use the identity of the national body and access marketing materials and support networks. However, they do not have access to any support services such as legal and accountancy services. There was one exception to this amongst the groups interviewed and the affect of having these specialist central resources was clear – it released local managers' time and provided professional input in to complex contractual arrangements. It was mentioned that statutory agencies need to be aware of the level of professional support and expertise within some organisations which might therefore impact on the costs involved in contracting from that organisation.
- 4.12. One organisation demonstrated the implications of not looking beyond the end of funding. The group was established and initially funded by two large grants accessed back to back/consecutively. When the second grant came to an end, the group had not established a long term funding plan and was not able to find additional funding. The group is now running a minimal service and is at risk of complete closure.
- 4.13. Larger groups with either more experience or with more varied sources of funding open to them due to the nature of their work, were able to manage funding streams over the long-term. One group had successfully adopted a 'layering' approach to funding whereby funding was accessed strategically and with a long-term view in order to ensure that all activities were catered for without overloading or neglecting sections of the organisation.
- 4.14. One group interviewed has grown a great deal over the years without any contracts or Service Level Agreements – it is significant that the organisation does not employ any paid staff and relies entirely on four full-time and 6 part-time volunteers. The group was established and continues to be run by parents and families of children with disabilities (all volunteers are parents). The group provides practical and emotional support for parents and siblings around all aspects of life including welfare benefits, respite, education, and travel. Social activities are also provided. The group has also successfully campaigned for



improved services for children with disabilities and their families and is well known to statutory agencies. The group has helped over a 200 families and is the only voluntary group in Tameside to receive a proportion of the Carers Grant to support its activities. The groups has successfully accessed funds from other sources including the Children's Fund, fundraising and in-kind donations (e.g. Barclays Bank have helped to complete the Sensory Garden; TMBC does not charge rent or utilities for the premises used by the group).

- 4.15. One group interviewed said that it explicitly chose not to pursue contracts with statutory agencies because it was contrary to the ethos of the organisation as a network of organic groups responding to the needs of members. The group could not direct or manage services according to a contract since this would have an effect on the flexibility of groups. The individual groups in different areas of the country were self-financing based on the voluntary contributions of members. After costs were covered any surplus was used to support other groups. All organisers were volunteers who had previously benefited from being a member of a group. Previous members also volunteered their professional services, for example solicitors, accountants etc.
- 4.16. Many VCS groups interviewed were required to collect a range of monitoring data to meet the requirements of a different of funders. This often lead to duplication of data and added pressure on the managers' time. Similar funders had different application forms, standards and monitoring requirements.
- 4.17. As is mentioned above regarding contracts in particular, VCS groups are concerned with more qualitative measures of success rather than the quantitative data that some statutory agencies continue to focus on. The interviews with VCS groups demonstrated that many funders and agencies increasingly monitor outcomes against particular national policies, for example, monitoring the contribution of groups to the five outcomes of Every Child Matters.

## **5. Value of the VCS and potential for growth**

- 5.1. Throughout these interviews there was recognition by both sectors of the current and potential added value of the VCS. This section covers feedback about the value of the VCS and the potential for a greater contribution by the VCS to service provision in Tameside. Section 6 covers issues which prevent the achievement of this potential and how these could be addressed.
- 5.2. Feedback from statutory agencies contracting from or working with VCS groups was generally very positive about the services they received from VCS providers. The main areas of concern are included in section 6.
- 5.3. Some VCS groups were described by statutory agencies as providing good value for money, high quality services, and a genuine commitment to the client group.
- 5.4. Interviewees from both sectors felt that the VCS is able to provide support and opportunities less likely to be available from the public and private sector and often in ways more appropriate to the community. For some interviewees the

absence of bureaucracy and a willingness to 'go the extra mile', and flexibility in service provision distinguished the VCS from the public and private sector.

- 5.5. It was also felt that the VCS benefited by being seen by clients as independent from the statutory sector. The interviews highlighted three effects of this perceived independence. Firstly, clients are often more likely to approach a VCS group for help rather than statutory agencies due to the stigma sometimes attached to these agencies and also because volunteers have often had similar experiences and can empathise with clients (e.g. parents volunteering to support parents with similar issues); secondly this independence is particularly important for effective advocacy and advice services (many groups interviewed represented the views of community members and campaigned for more appropriate services); thirdly this independence helps the VCS build bridges between clients and the statutory sector and encourage take-up of relevant statutory services.
- 5.6. The particular skills, dedication and commitment that volunteers bring to a service were frequently mentioned by both statutory agencies and VCS groups. Volunteers were felt to be highly motivated with a strong sense of community spirit. A number of VCS interviewees felt that the success of the service was due to the fact that volunteers were those who had shared experienced with clients
- 5.7. The VCS was felt to be a valuable resource by the statutory sector and a genuine alternative service provider. One agency representative felt that there was an assumption based on historical experience that the public sector should always be the direct provider of services. Whilst some services would always be more appropriately provided by statutory agencies, in some areas the role of statutory agencies may be to direct, coordinate and facilitate a network of providers from the public, private and voluntary sector. This is the ethos around the current reconfiguration of mental health services in Tameside and Glossop. Under the new framework the role of the statutory agencies (Pennine Care and Social Care & Health, TMBC) will be to identify gaps in provision and work with partners in all sectors to address the gap.
- 5.8. One interviewee from the health authority felt that the contribution and further potential of the VCS to providing choice to clients may not be fully recognised outside of the health service. It was estimated that 50% of drug and alcohol services in Tameside are already provided by the voluntary sector.
- 5.9. Repeated in a number of interviews was the view by the statutory sector that the VCS can provide sub-threshold, preventative and complementary services. This is particularly important for those in the community who are not known to the statutory sector and who are at risk of declining to the point at which statutory services are required; the VCS can contribute to preventing such a decline thereby preserving resources of the statutory sector.
- 5.10. Almost all groups had ambitions for the future either expanding the current activity or increasing the number of activities provided.
- 5.11. Many VCS groups had identified potential unmet need in the communities they served (some groups had waiting lists for their services). As well as providing

services to larger numbers and expanding in to different areas, some groups had identified areas of unmet need amongst particular sections of the community including the BME community (support for children and families, luncheon club for women as well as men), looked after children (provision of an alternative curriculum), working with the parents (of those young people accessing an advice service for children and young people), and more work in schools (provision of personal safety advice).

- 5.12. Statutory agencies also suggested areas where the VCS may be able to contribute further. Examples included the provision of bereavement counselling for adults being treated for drug and alcohol misuse which can disproportionately experience bereavement and this can impact on their ability to manage their drug and alcohol misuse. The perception was that this service existed for older people and that it was not accessible to this client group. Funding permitted, one statutory agency suggested that the VCS may be better placed to carry out research projects in to the needs of particular client groups.
- 5.13. Other areas that the VCS could bring its particular skills included adult and child mental health. In relation to adult mental health the VCS was seen to provide important opportunities for social interaction which is particularly important for vulnerable and isolated members of the community including older people and those with mental illness. Another agency representative also felt that there was a role for the VCS in providing support to groups, particularly children, which may not meet statutory thresholds for support but still have a level of need.
- 5.14. Some VCS groups help the Council meet its statutory obligations. For example, VCS groups interviewed which offer housing support help the Council meet its obligation to reduce the number of homeless people being placed in bed and breakfast accommodation.
- 5.15. A further area repeatedly mentioned by both sectors was the value of the VCS for providing volunteering opportunities. In many ways volunteers were felt to both contribute to and gain from the sector. Volunteering provides work experience (one VCS group felt that there was an almost inexhaustible supply of volunteer counsellors looking for work experience required to gain counselling qualifications) and social opportunities for volunteers. One agency suggested that volunteering opportunities are beneficial to particular client groups such as those with mental illness.
- 5.16. One larger group was considering a leadership role in relation to similar groups in the sector and to encourage and support smaller groups towards common aims.
- 5.17. Groups were aware of and involved in the Council's strategic aims to greater or lesser degrees. As would be expected the larger and more established groups had a greater awareness of national and local priorities and could direct their services accordingly. A number of groups were actively involved in achieving Council priorities, for example around drug and alcohol misuse and children's services, and were involved in partnerships and network groups aimed at achieving borough-wide objectives.

- 5.18. A partnership of representatives from the local authority, health authority and VCS has been formed to increase the provision of health and social care services and services for children and young people health through social enterprises. It is felt that social enterprises will greatly increase the capacity of the VCS to become involved in service delivery. The partnership group is identifying barriers to developing social enterprises and what is required to overcome these barriers. An action plan is being developed to put the necessary improvements in place.
- 5.19. A social enterprise has recently been launched in the Ashton Renewal area. The service provides domestic cleaning services to Tameside residents. Older people receive a subsidised service but are first screened to ensure they are not in need of further homecare services or social care support. The company is run by older people and recruits from amongst the unemployed in the renewal area.

## **6. Barriers and enablers to growth**

- 6.1. This section covers the issues raised by interviewees which limit or promote the involvement of the VCS in service delivery.
- 6.2. **Culture of partnership working**
- 6.2.1. One of the larger VCS organisations felt that partnership working between the statutory sector and VCS was stronger in other areas than in Tameside and that other local authorities and agencies were more open than those in Tameside to the idea of working with the VCS. Branches of the same VCS organisation in other areas of the country had benefited from more innovative approaches to partnership working with statutory bodies particularly Local Authorities. This organisation felt that better partnership working would allow the VCS to contribute to the Council's longer-term strategic direction particularly in the area of Social Care and Health which was felt to be reactive to situations rather than proactive.
- 6.2.2. For one organisation the drive from central government has opened doors and forced dialogue between the sectors. The statutory sector was felt to be a lot more proactive in supporting the VCS than in the past now that the contribution of the VCS has been recognised. Some of the traditional 'gatekeepers' and 'usual suspects' have been removed allowing more opportunities for a wider section of the VCS to become involved in delivering services.
- 6.2.3. One VCS interviewee felt that the VCS 'just wasn't on the radar' for some managers in the statutory sector. Some of the larger VCS groups interviewed felt that they were 'not round the table' when it came to discussing options for future service delivery.
- 6.2.4. When they are involved in developing services and projects in the community, voluntary groups felt they needed to be brought in to the process much earlier as they feel they do not have an opportunity to contribute to the direction of the project and spend a lot of time 'catching-up'.

- 6.2.5. One large organisation felt that the Council was not aware of its impact on the community. At the time of the interview the organisation was evaluating one of its projects in Tameside in order to demonstrate the impact of the project and of the contribution of the organisation.
- 6.2.6. One issue raised by VCS groups was that funding relationships can affect partnership working between sectors. At least one group mentioned the threat to the autonomy of VCS groups receiving funding from the Council and the impact this has on the willingness of groups to challenge Council policy. For one group in particular, not being funded by the Council improved their ability to advocate for their client group.
- 6.2.7. Representation at strategic level and a greater tendency for the VCS to be considered as an option for delivery were mentioned by some VCS interviewees to be one of the keys to the growth and involvement of the VCS in service delivery.
- 6.2.8. There was a feeling amongst some VCS interviewees that whilst agencies continue to praise the VCS and are keen to demonstrate close working relationships, this is not happening in reality.
- 6.2.9. Some VCS groups felt that statutory agencies need to go through a cultural change and to include the VCS as second nature when considering options for service delivery and initiatives.
- 6.2.10. Two larger VCS groups felt that statutory agencies need to consider the added value of VCS groups when evaluating tenders rather than over-emphasising the financial aspects of options for service delivery.
- 6.2.11. One VCS group recognised that working with the VCS can be challenging for statutory agencies and that it can be demanding and time-consuming but ultimately rewarding for agencies and clients.
- 6.2.12. One VCS organisation acknowledged that some VCS groups are cynical about the statutory sector and there can still be an adversarial relationship between the statutory and third sector. It was felt that changing this relationship was the responsibility of both sides.
- 6.2.13. One VCS group mentioned that the Compact already laid down the expected working relationship between the statutory and voluntary sector but that this was not always observed.

### 6.3. **Funding and monitoring**

- 6.3.1. VCS groups felt that funding was the main barrier to growth. Issues around contracting and accessing other forms of funding have already been discussed above (sections 3 and 4).
- 6.3.2. Many VCS organisations felt that there was a contradiction between the national drive for greater involvement by the VCS in service delivery and the level of funding available to build the capacity of the sector.

- 6.3.3. Sometimes VCS groups felt that they did not always know what opportunities for service delivery are available. The T3SC provides help in accessing funding and acts as a central information point about funding opportunities. The organisation can also provide tailored advice to individual groups on the best way forward with regard to funding. However, representatives from one of the larger organisations in Tameside felt that groups in the sector require different levels of support and that the information provided by the T3SC is aimed at smaller groups. Larger organisations in a position to provide services felt that opportunities for service delivery could be more widely provided promoted and the VCS brought in to the process earlier.
- 6.3.4. Many groups had clear ideas about potential areas of growth for the organisation but required funding to achieve this expansion.
- 6.3.5. Related to funding is the inability of some groups to acquire more suitable premises. Some VCS groups felt that their capacity for growth was limited by the premises out of which they operated. Premises were sometimes full to capacity and, in an effort to save money, not of the best quality or appropriate to the needs of the group and its clients despite the efforts of staff to improve the surroundings.
- 6.3.6. Some agency representatives felt that grants to the VCS should increase and be less prescriptive in order to encourage creative responses to community issues.
- 6.3.7. As discussed above monitoring requirements tied to contracts and traditional funding have been criticised by VCS groups and statutory agencies alike. However, one statutory agency was concerned that it was often difficult to scrutinise and audit some VCS groups. A lack of reliable data and infrastructure problems could prevent accurate monitoring of the VCS.
- 6.3.8. The comments of some agencies indicated that although it was felt that formal processes and monitoring are still important the potential of the VCS to deliver services may be prevented by excessively inflexible tendering and contractual processes and requirements. Internal commissioning and contracting arrangements which do not accommodate the nature of local organisations were also mentioned as a barrier to potential growth of the sector. One agency representative felt that there is great potential for the VCS to contribute to the provision of service but that excessively inflexible tendering and contractual processes and requirements may prevent this potential from being achieved.
- 6.3.9. As was mentioned above external funding has traditionally been for new projects rather than existing ones. More significantly for some VCS groups, long-term funding for infrastructure and core costs are not widely available. This may prevent groups from increasing their core capacity to deliver services.
- 6.3.10. One statutory agency suggested that the VCS may be able to save resources by sharing some administrative resources.
- 6.3.11. More than one VCS group felt that funding from statutory agencies may come with restrictions on activity and affect the ability of the organisation to provide flexible services. As was mentioned above, this funding may also affect the

autonomy of the group and ability to challenge Council policy and advocate on behalf of clients.

- 6.3.12. One VCS group pointed out that good practice in terms of funding has already been agreed through the local Compact and that observing these principles should ensure effective funding arrangements.

#### 6.4. **Staff, volunteers and other resources**

- 6.4.1. Linked to funding as a factor for growth was the ability of VCS groups to attract and retain paid staff. Although many groups existed largely or entirely on volunteer support it was felt that there were some activities and services that could only be carried out by well-trained and, after a certain level, by paid staff. This is especially true where contracts require particular standards of service. However as one group reported, until adequate funding is available there will be an inherent desire to employ people as cheaply as possible. This has implications for the level of service VCS organisations are able to offer to the statutory sector.

- 6.4.2. One VCS group highlighted the tension between expanding the organisation and maintaining the family orientated and close-knit environment of the group provided by experienced volunteers. There was a concern that paid staff would be less likely to bring the same level of commitment, compassion or first-hand experience to the organisation. One agency suggested that there was a risk of 'over-training' volunteers and that the original qualities could be lost.

- 6.4.3. However, relying on volunteers also presents challenges. The supply of volunteers was mentioned in a number of interviews. It was felt that the VCS has little control over the level of unpaid volunteers it can attract in order to provide a service. One group commented that a fluid funding and volunteer base meant that resources could be overstretched in some periods which may result in the groups failing to meet user expectations and even leading to projects being forced to close due to lack of funding and volunteers. A further group commented that volunteers were sometimes hard to replace. One statutory agency suggested that there were some areas which would not be as attractive to unpaid volunteers as others. For example, the perception of the agency was that people would be more attracted to working with children than older people, particularly those with mental illness which is a challenging and demanding role. A further agency identified a need for more volunteers to work with young people.

#### 6.5. **Capacity of the VCS in Tameside**

- 6.5.1. For one health authority representative, whilst there may be a duty for public sector bodies to work with the VCS, Tameside suffers from only having a small number of strong voluntary sector providers. An example was given of a recent tendering process in which two of the six VCS groups which applied for the tender did not have the capacity to deliver the service. Attempts are being made to create a partnership between a Tameside VCS group and a Manchester based private sector company to provide the service rather than have no input from a Tameside VCS organisation.

- 6.5.2. It is perhaps for this reason that some agencies choose to shield some VCS groups with a proven track record of quality service provision from exposure to market-testing and why some also attempt to support the capacity of the VCS groups to adapt to change.
- 6.5.3. One large VCS group was keen to expand its activities in the borough and was tendering to provide further services. This organisation felt that it could attract funding in to the borough and work with smaller voluntary groups to provide support to the community. A further group pointed out that the VCS is able to bring funding in to the borough that the statutory sector is not able to access.
- 6.5.4. It was felt that the current reconfiguration of mental health services and the introduction of a network approach to service provision will provide a challenge to some VCS groups not used to operating in a larger context.
- 6.5.5. There were some issues raised about the capacity of the VCS to understand and respond to the changing needs of public services.
- 6.5.6. Some statutory sector representatives felt that the VCS needs to be more professional in its approach in order to be able to compete with the private sector. This included being able to provide a viable business case and improved marketing. A need for further professionalisation at managerial level within the VCS was mentioned by at least one VCS representative although a further VCS interviewee felt that there was considerable experience in the sector.
- 6.5.7. Some interviewees indicated that there may be tension between the views of public sector professionals and VCS groups over client needs. Two examples were provided where the public sector representative felt that clients were receiving services from VCS organisations which were no longer appropriate to them. In one example this created dependency and reduced the capacity of the VCS group to provide support to others. In the second example the statutory sector representative felt that occasionally VCS clients are not referred to more specialist services in the statutory sector. This may indicate a need for the VCS to be aware of where and when they can best contribute to clients' needs in partnership with the statutory sector.
- 6.5.8. A representative from one of the smaller VCS groups interviewed was sceptical about involvement from outside parties from the statutory sector or the T3SC. This was based on the experience of a similar VCS group which was advised to close since it was not regarded as viable.



## **Appendix 1.**

### **1. Questions for voluntary and community organisations:**

- 1.1. What is the history of the organisation and current set-up in Tameside (specifically age of the organisation, legal and charitable status, activities covered, groups covered, income levels / turnover, income sources, and staff, volunteers and other resources (incl. premises)?)
- 1.2. What services (if any) is the organisation contracted to provide to statutory agencies? What is the organisations experience of commissioning and contracting experience (and/or general funding experience)?
- 1.3. What differences between various agencies has the organisation experienced and what has been felt to be and good practice?
- 1.4. What is the organisations capacity to increase service provision and range of services provided? What might prevent this?
- 1.5. What services may the organisation wish to be contracted to provide and why might this have not been achieved?
- 1.6. How is performance of the organisation measured? What information is submitted as part of any contractual agreements? What impact is there on community outcomes?
- 1.7. What is the experience of branches in other areas?
- 1.8. How can the capacity of the voluntary and community sector to provide services be increased?

### **2. Questions for statutory agencies**

- 2.1. What service is provided by the statutory agency?
- 2.2. What services do the statutory agency commission from the voluntary and community sector (including details of costs)? And/or how does the agency work with the volunteer and community sector?
- 2.3. What is the potential to increase use of VCS? What might prevent this happening?
- 2.4. What has been the statutory agency's experience of commissioning from the VCS? How would the agency rate the quality of the services provided by the VCS? What is the overall value of the VCS to statutory agencies?
- 2.5. What good practice exists around commissioning and contracting arrangements with the VCS?
- 2.6. How is performance of the VCS groups working with the statutory agency measured?

## Appendix 2

### 1. Profile of the voluntary and community groups interviewed

- 1.1. 19 of the 20 groups interviewed operated in Tameside (the remaining was a branch of a national organisation operating in a neighbouring area as well as in Tameside)
- 1.2. 10 out of the 20 groups were part of a national body, with various levels of autonomy.
- 1.3. 4 out of 20 groups were part of organisations that had an international presence.
- 1.4. 7 out of 20 groups has been operating in Tameside for less than 10 years, 5 groups for between 10 and 20 years, and 6 for more than 20 years.
- 1.5. Alcoholics Anonymous was the oldest international body interviewed at 75 years.
- 1.6. Barnardos was the oldest national organisation interviewed at 135 years.
- 1.7. Of the groups interviewed the Citizen's Advice Bureau has been operating in Tameside the longest (40 years), followed by Age Concern Tameside & Glossop (32 years) and Probin Mela (21 years).
- 1.8. The groups which have the shortest history in Tameside in Barnardos (4 years) and Branching Out (4 years).
- 1.9. Most groups operating locally described their legal and charitable status as a registered charity and a company limited by guarantee. Some also operated a social enterprise or trading arm.
- 1.10. The groups covered a range of activities including offering practical support and services, recreational and social opportunities, and skills training and capacity building.
- 1.11. The groups interviewed support various sections of the community including older people, families, young people, the unemployed, residents with physical and learning disabilities, and people with mental illness.
- 1.12. 15 groups operated across Tameside (or beyond) whilst 5 covered particular areas of the borough.
- 1.13. The annual turnover of groups operating locally ranged from £1million per year to less than £20 per week, although the majority managed a turnover of between £35,000 and £220,000 per year.
- 1.14. Income sources for the groups included the local authority, health authorities, the lottery fund, police, European funding bodies, various central government departments and initiatives, private donors, business donations, and traditional fund-raising.

- 1.15. Fifteen groups employ paid workers (3 groups only used paid staff), and 17 used volunteers (5 groups only used volunteers). In total the groups interviewed employed around 150 paid workers and more than 220 volunteers in Tameside.