



SCRUTINY COMMISSION – 20 APRIL 2011

VOLUNTARY AND COMMUNITY SECTOR INFRASTRUCTURE SUPPORT

REPORT OF THE CHIEF EXECUTIVE

Purpose of Report

1. To update the commission on arrangements for delivering infrastructure support services to the Voluntary and Community Sector (VCS).

Policy Framework and Previous Decisions

2. The Commission, at its meeting on 19 January 2011, invited Mr. Martin Honeywell to introduce his independent report on the effectiveness of locally based voluntary and community sector infrastructure services that had been provided under separate contracts by Voluntary Action Leicestershire (VAL), seven Community Hubs (CHs) and three Local Resource Centres (LRCs).
3. At the meeting the proposals for a “Countywide Infrastructure Model” were supported, though questions were raised about the extent to which the voluntary sector would be able to reach agreement regarding the balance of activities to be carried out by VAL and the CHs/LRC in localities (the “Subsidiarity” model) under these new arrangements. It was resolved that the Scrutiny Commissioners be asked to investigate this issue further with the Leader of the Council or his nominee.

Background

4. The Scrutiny Commissioners met with the Deputy Leader of the Council on 16 March to discuss the issue of “subsidiarity” and the extent to which the community hubs would be allocated funding from VAL to deliver services locally.
5. At this meeting it was noted that the contract with VAL allowed for services to be sub-contracted to the community hubs provided that they demonstrate that they were capable of delivering the services to be commissioned.
6. The contract with VAL set specific outcomes for the voluntary sector. It was inevitable that some services would be delivered centrally and some would

be delivered locally At the Commission meeting it appeared that some assumptions had been made that the hubs were in a 'default' position, however this was not the case. They were able to make their own decisions on the services which they wished to deliver and whether they were willing to deliver those services specifically required by funders and a number of Hubs were addressing this issue.

7. The County Council has recognised that 2011 would be a transition year in that voluntary organisations could decide to change their modes of operation and as such needed time and resources to do this. To that end the County Council set aside £150,000 in transition funding.
8. Arising from discussion, the Scrutiny Commissioners agreed that:
 - (a) Mr. Robinson submit a report to the Scrutiny Commission at its meeting on 20 April setting out:
 - (i) The relevant sections of the consultant's report which outlines the principle of subsidiarity and what it meant;
 - (ii) Details of those Hubs who had now agreed arrangements with VAL;
 - (iii) Details of those Hubs who had not agreed arrangements with VAL and details and timings of the Peer Review arrangements to address these;
 - (iv) Details of how it was proposed to spend the £150k transition funding allocated in the budget, including details of contribution from district councils.
 - (b) That it would be worthwhile reviewing the progress made against the targets in the VAL contract in twelve months' time.

Issue of "Subsidiarity"

8. Recommendation Four of the Consultants report stated that in deciding how best to deliver infrastructure services, VAL should be guided by the principle of subsidiarity. This was defined as:-

"An organising principle that matters ought to be handled by the smallest, lowest or least centralized competent authority." (Wikipedia)

9. In the case of VAL's relations with CHs and LRCs the Consultant's report suggested that this would mean;

- Where CHs or LRCs show themselves to be competent and cost efficient to deliver some of the infrastructure services, delivery of those services should be sub-contracted to them. (This includes any infrastructure services, including volunteering support, capacity building and support to VCS organisations and Co-ordination, Engagement and Representation).
 - Sub contracts will include the need to participate in the unified Performance Management Framework;
 - Where VAL staff delivering any infrastructure services can efficiently and effectively be co-located to work within CHs or LRCs, this should be done. While such staff would remain under VAL's management, management arrangements with local host organisations would be needed. Some form of Matrix management arrangement may be needed.
10. The Consultant's report concluded that taken together, these recommendations will leave VAL with the overall responsibility for the delivery of all infrastructure services under this Contract, but with the responsibility for making delivery arrangements (including sub-contracting) that place service provision as near to service users as possible.

The Community Hubs and VAL

11. Following a period of detailed discussion and negotiation, the following outline agreement has now been reached:-
- (a) VAL will deliver all support services in all parts of the County except for South Leicestershire and Melton.
 - (b) Sub contracts between VAL and the Melton and South Leicestershire Voluntary Actions provide for elements of infrastructure support to be sub contracted in those areas.
 - (c) Charnwood, Oadby & Wigston, Hinckley and Bosworth, Blaby and North West Leicestershire Voluntary Action have decided to refocus their activities on service delivery and/or community development. They have applied for transitional funding.
 - (d) The Local Resource Centres (Castle Donington, Syston and Lutterworth) have accepted transitional funding from VAL.

Budget

12. It is expected that requests for transitional funding can be met from the £150,000 made available by the County Council and one-off funding from VAL.
13. There has been no indication of any transitional funding being provided by District Councils.

Background Papers

None.

Circulation under the Local Issues Alert procedure

None.

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