

Grants to Commissioning

Online Consultation Findings

Introduction

A consultation was conducted to gather views from stakeholders in the voluntary and community sector (VCS) in Kingston on the proposal to transfer from grant based funding to commissioning. This report provides the findings from one aspect of the consultation, the online consultation. Other aspects of the consultation include workshops conducted by an independent organisation and two previous meetings with the voluntary and community sector.

Methodology

The online consultation was published on Kingston Council's website and open to all who wished to express their views. All local voluntary and community groups known to the Council (approximately 500) and other Council partners were directly emailed with a link to the consultation and encouraged to forward it on to people receiving their services, staff, trustees and volunteers.

The consultation ran from 15 May to 15 June 2015.

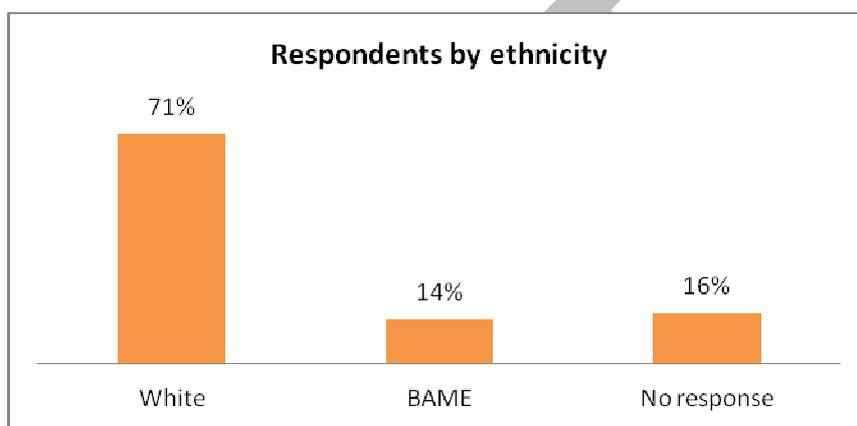
A copy of the consultation questions can be found in Appendix 1.

A full transcript of all comments received can be found at Appendix 2. The main body of the report includes summarised comments based on the main themes identified.

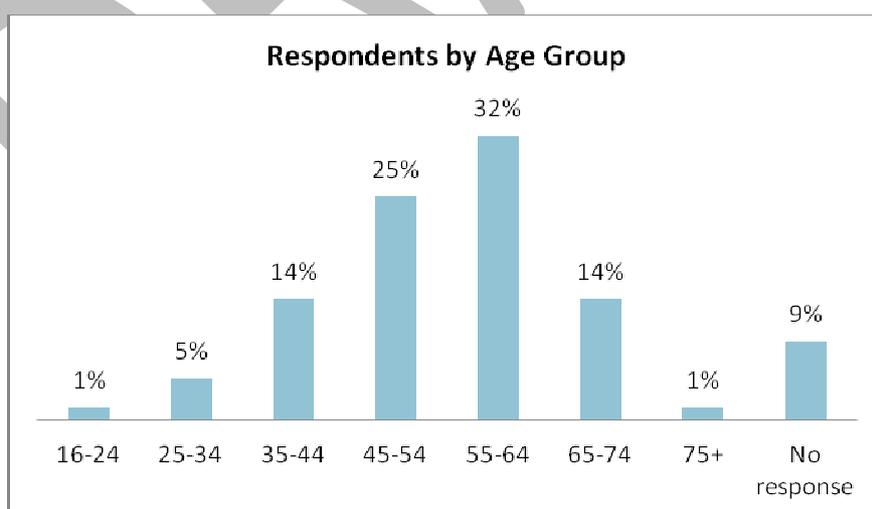
Demography of Respondents

Respondents included residents, VCS employees, VCS trustees, VCS volunteers and people who receive services from a voluntary organisation. Out of the 148 respondents, 62 responded as residents, 45 on behalf of a VCS organisation they work for, 34 on behalf of a VCS organisation they are a trustee of, 29 on behalf of a VCS organisation they volunteer for and 6 on behalf of a VCS organisation they receive services from. Please note that respondents were able to choose more than one respondent type.

Respondents were largely white (71%, 105), with 14% (20) from an ethnic minority background.

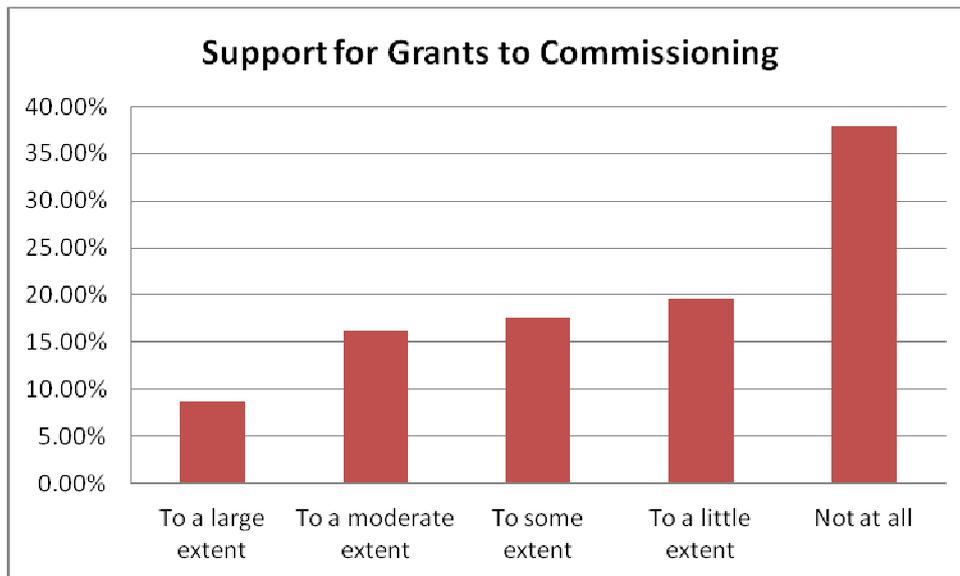


32% (47) of respondents were in the 55-64 age group. The next largest group was the 45-54 group with 25% (37). This means more than half of respondents (57%, 84) were between 45 and 64. 14% (20) each were between 35-44 and 65-74.



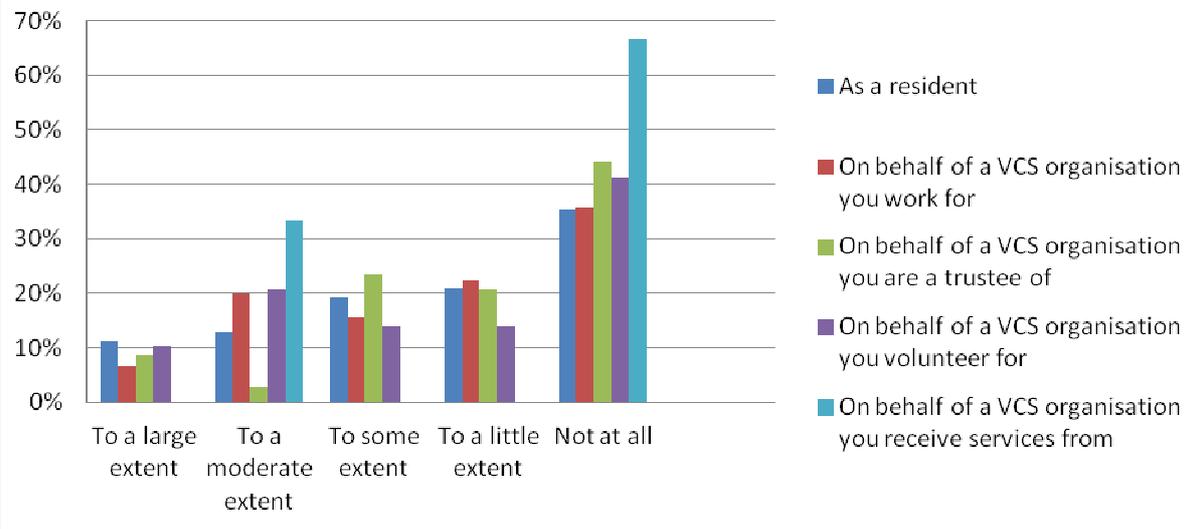
Overall response to the proposed change

A total of 148 individual responses were received, of which 38% (56) said they did not support the move at all. However, when adding together responses that expressed support from “a little extent” through to “a large extent”, a total of 62% (92) expressed some form of support for the proposal. 9% (13) of respondents said they supported it to “a large extent”, 16% (22) to a “moderate extent”, 17% (26) to “some extent”, and 20% (29) to “a little extent”.



There are no significant differences between the types of respondents, compared with each other and compared to the total for this question. All groups are more likely to have chosen the option for no support, than any of the other options expressing from a little to a large extent of support.

Support for Grants to Commissioning by Respondent Type



Respondents were asked to provide commentary on the extent they agreed or disagreed with the approach.

Evidence the commissioning approach works

Respondents commented on the lack of available information to show that the commissioning approach works. Some stated that they had not seen any information that this had benefited other authorities and if there was evidence it should be included with the proposal whilst others thought that available evidence from national sources did not support this approach. The cost of implementing was also seen to be an issue and some questioned whether commissioning would lead to better outcomes. One respondent thought that the introduction of a commissioning approach would have a detrimental effect on funding, saying *“There is clear evidence that Grants produce a gearing of 4:1 funding levered into the borough. Local Voluntary and Community Groups have consistently argued against such a move at all the workshops, at all meetings and at the Voluntary Sector Board. This voice has been ignored”*.

Local organisations will suffer

Respondents thought that commissioning would threaten the existence of small, local organisations, particularly those that are run by volunteers. These were perceived to run essential services for people who had complex needs. Some respondents thought the process would favour larger, commercial organisations and national organisations would have resources to bid and would exclude local groups.

It was thought these bigger, competitive companies would win tenders and push out smaller, local organisations. Respondents feared that commercial organisations measure their success by profits whilst the voluntary sector measures them by the effect they have on the people they work with. They thought this would result in a loss of local knowledge and trust that has developed over many years which would disadvantage the local community. Some respondents thought that the commissioning process would not support emerging needs and

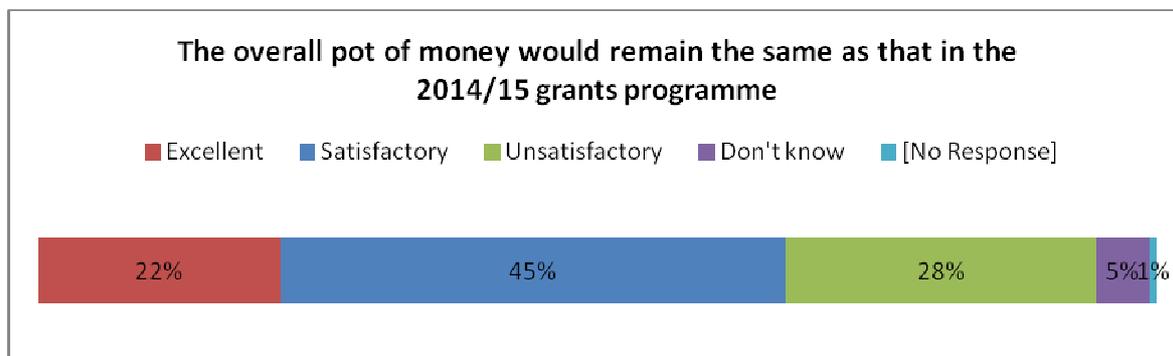
new objectives and would reduce creativity and innovation amongst local organisations. It was also felt that the commissioning process would have a negative effect on co-operation and partnership working which organisations had successfully used to design services that met local needs rather than acting against each other.

Other comments

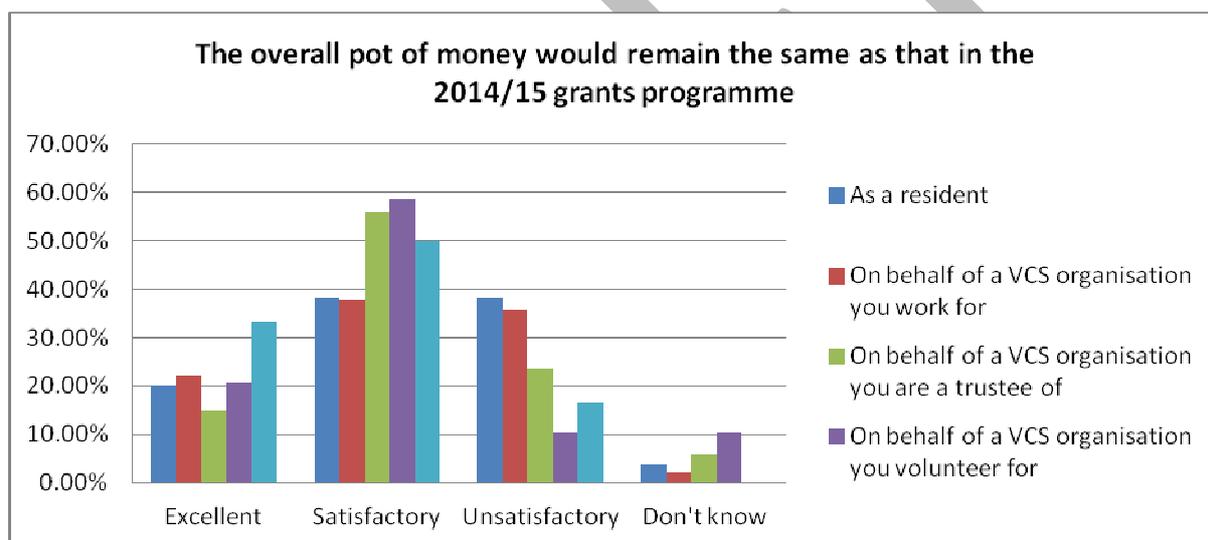
Respondents also thought the process would lead to increased costs for organisations and RBK; there should be grants for organisations to cover core costs; the current grant system is more flexible and should be kept or amended; have alternatives such as service level agreements been explored and the commissioning contracts may be short term.

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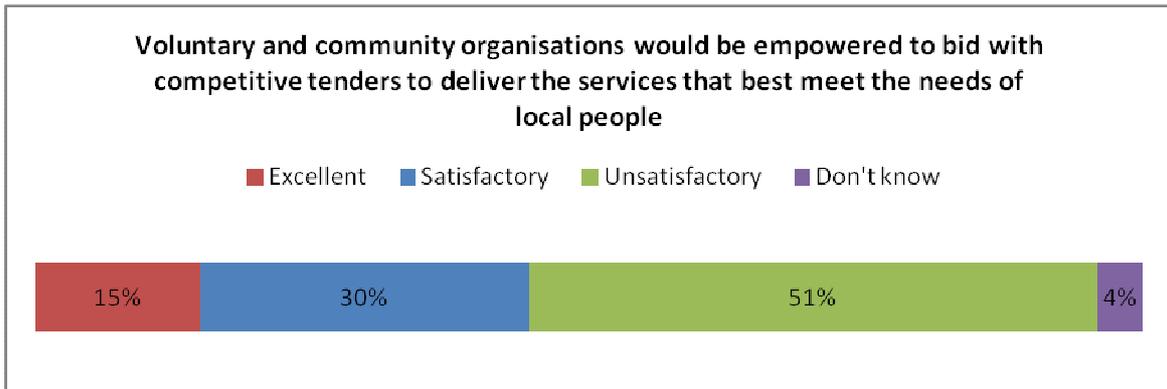
Principles:



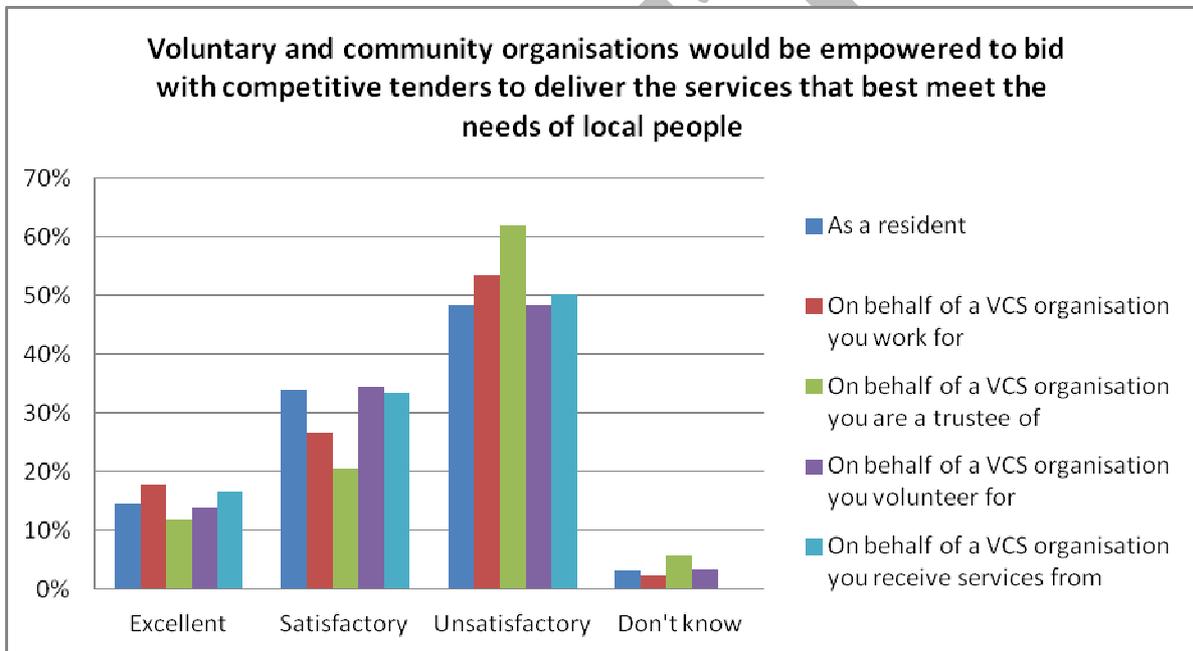
The survey asked how respondents felt if the overall pot if money would remain the same as in the previous years' grants programme. Out of a 147 responses, 45% (67) felt it was "satisfactory", 28% (41) said it was "unsatisfactory" and 22% (32) thought it was "excellent". 5% (7) answered "don't know".



Apart from Volunteers and those that receive services from a VCS organisation, other types of respondents, including VCS employees, trustees and local residents were more likely to answer it was "unsatisfactory" rather than "excellent", however the largest response across all respondent types was "satisfactory".



The majority of respondents (51%, 76) are unsatisfied with this proposal. 30% (44) thought it was “satisfactory” and 15% (22) felt it was “excellent”.



The responses by the individual types mirror the overall response to the proposal. The majority of VCS employees (53%, 24) and trustees (62%, 21) said the proposal is “unsatisfactory”.

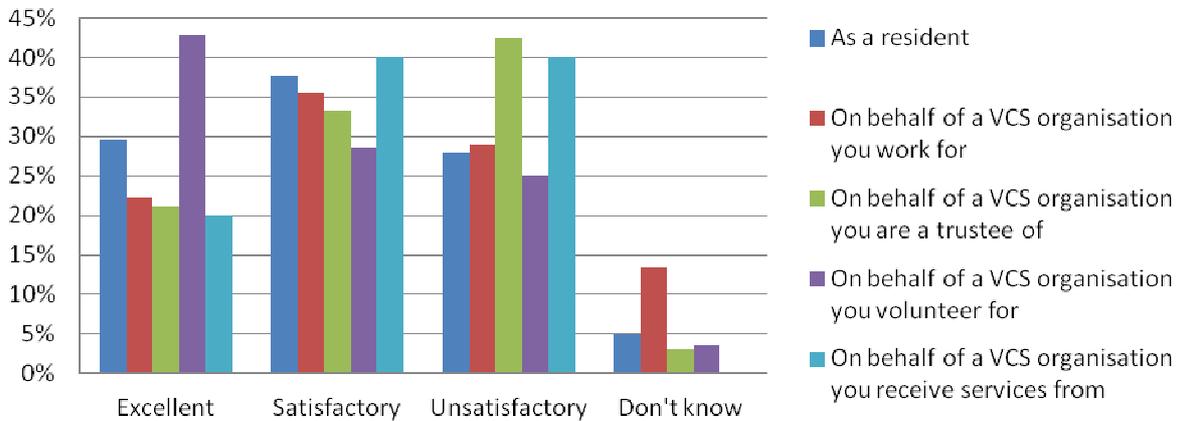
The bidding process will be open, fair, competitive and most importantly, flexible to the needs of the range of the Voluntary and Community Sector organisations

■ Excellent ■ Satisfactory ■ Unsatisfactory ■ Don't know ■ [No Response]

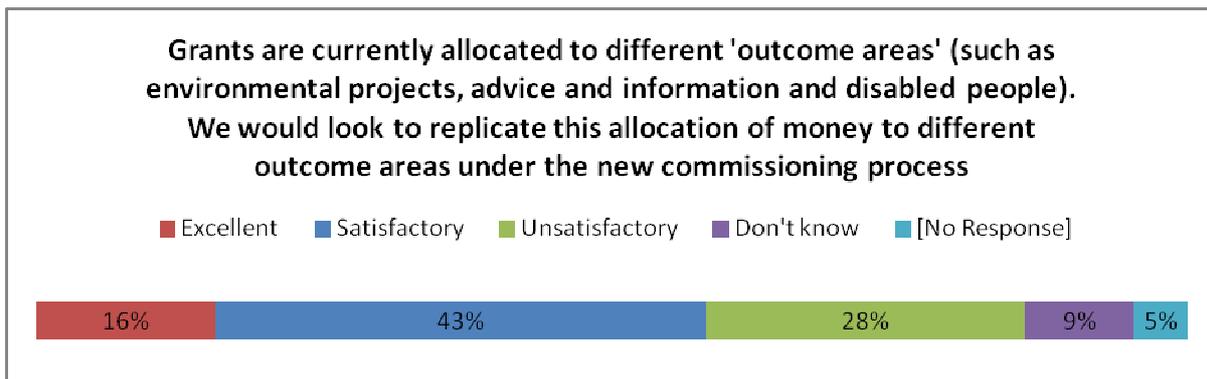


Respondents were largely satisfied with the proposal that the bidding process will be open, fair and flexible, with 64% (95) people saying this was excellent or satisfactory. 26% (39) said they were unsatisfied with this, while 7% (11) chose “Don’t Know” as their option.

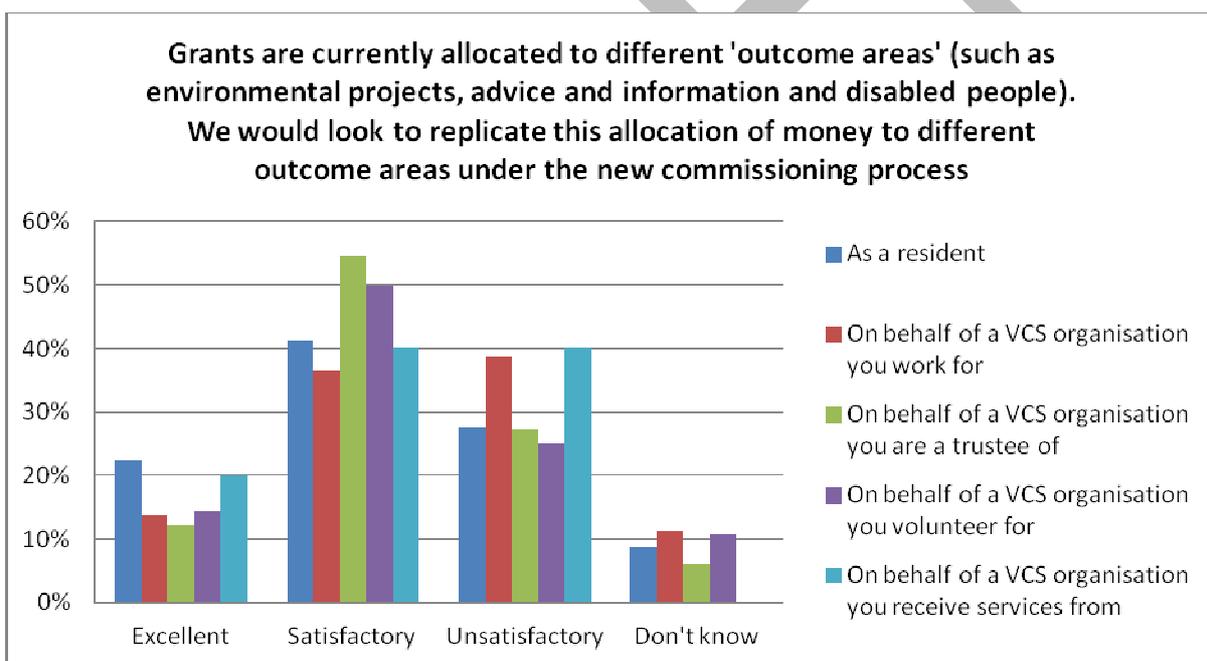
The bidding process will be open, fair, competitive and most importantly, flexible to the needs of the range of the Voluntary and Community Sector organisations



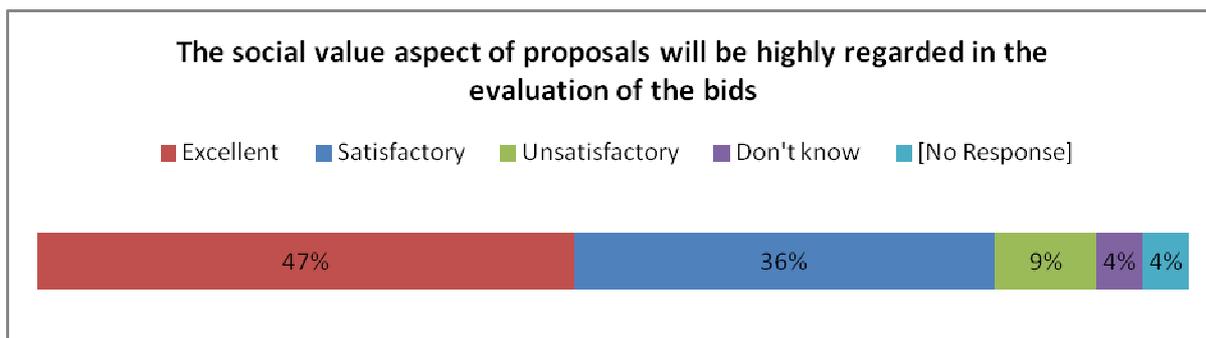
Volunteers are the largest group at 43% (12) who thought the proposal was “Excellent”. VCS employees, local residents and service users were most likely to say this was “Satisfactory”, while trustees were the only group of which the majority (42%, 14) said this was “Unsatisfactory”.



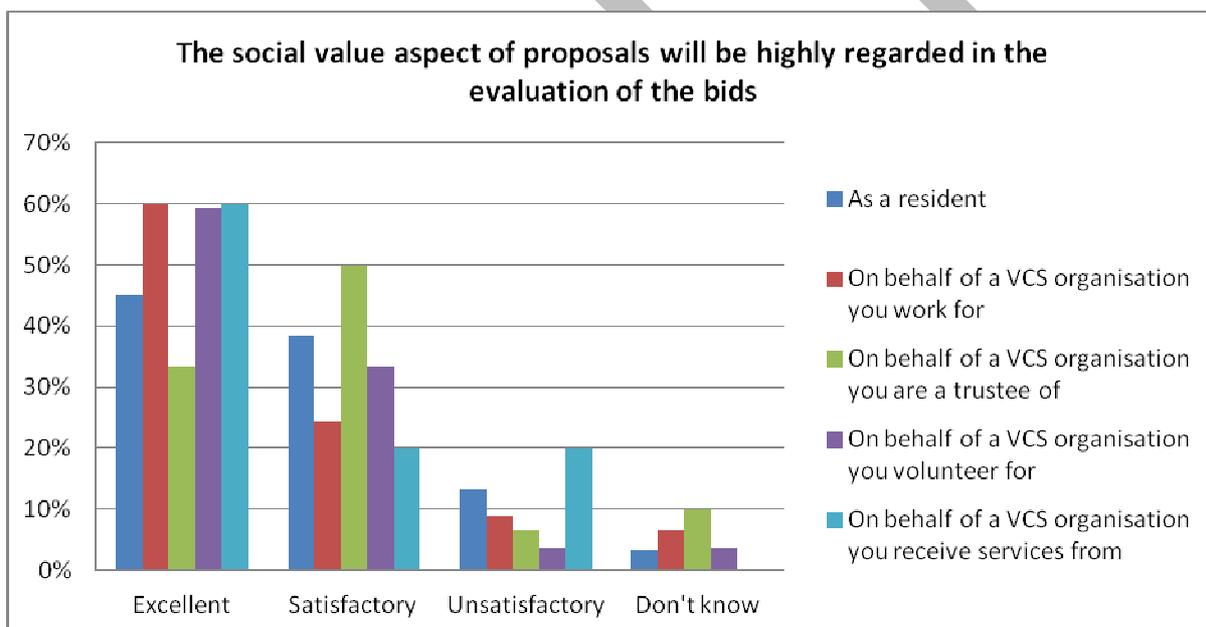
43% (63) of respondents said the above statement was “Satisfactory”, while 16% (23) said it was “Excellent”. A total of 28% (41) said the proposal was “Unsatisfactory”, while 9% (14) answered “Don’t Know”.



The individual respondent group responses largely mirrored the total response to this question, with the preferred option for most groups being “Satisfactory”. Only VCS employees chose “Unsatisfactory” (39%, 17) more than “Satisfactory” (36%, 16).



The vast majority of respondents at 83% (123) said they found this proposal “Excellent” (47%, 69) or “Satisfactory” (36%, 54). Only 9% (13) of respondents thought this was “Unsatisfactory” and 4% (6) chose “Don’t Know”.



Most respondent groups said this pledge was “Excellent”, with only VCS trustees saying this was “Satisfactory” (50%, 15) more than it was “Excellent” (33%, 10). 60% (27) of VCS employees and 59% (16) of volunteers said this was “Excellent”.

On the Principles sections of the questionnaire, respondents were asked for reasons if they said the considerations were unsatisfactory and how they could be improved.

Bidding process

Many respondents commented that it would be difficult for smaller organisations in the voluntary sector to prepare competitive bids against larger, commercial organisations that would be more used to writing tenders; listing human resources, capacity, time, IT and expertise as potential issues. Organisations often relied on volunteers and wondered how they would be empowered to tender and what kind of bid writing support would be provided by the Council? Some respondents thought that the process could put smaller organisations at risk of closure if they did not receive funding. One respondent commented that

“Not sure how small voluntary organisations who rely mainly on their volunteers to seek resources/funding can be empowered to bid with competitive tenders who are obviously successful businesses whose main objective is to make money”

Competition over collaborative working

Respondents thought that the commissioning process would lead to organisations competing against each other; this was seen to be detrimental. Organisations stated that they always tried to work in a collaborative way, complimenting each other to make the best use of resources rather than competing against each other in a tendering process. It was thought that if organisations were competing against each other it could damage working relationships and services.

Loss of local knowledge and innovation

Respondents also thought that the commissioning process may lead to out of borough organisations delivering services that meet the contract specification rather than the needs of local people. It was felt that commissioning would not allow organisations to develop and deliver services that adapted to the changing needs of the community and would reduce the ability of organisation to develop their own initiatives. Potentially organisations from outside of the borough may be delivering services in a locality which they were not as familiar with as local organisations; this could lead to a loss of local knowledge, experience and bespoke services.

Evidence the current system is not working

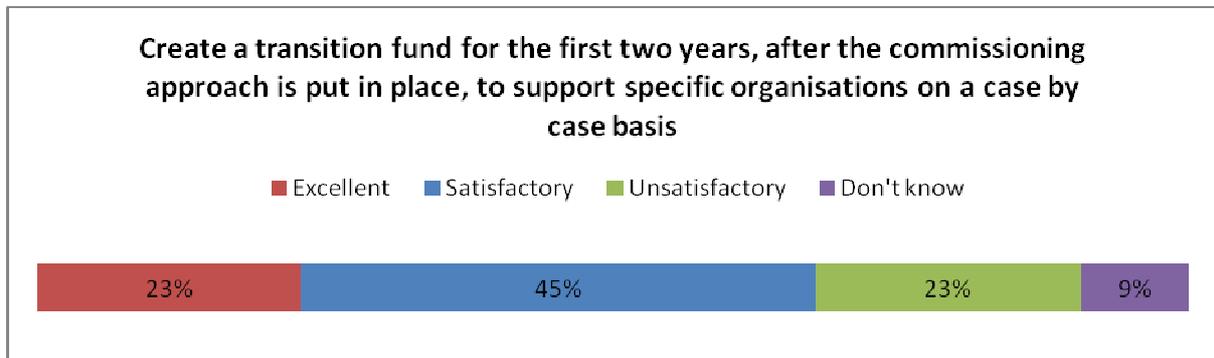
Some respondents commented that they felt there was no evidence to support the current grants system was not working or that a competitive tendering process would provide greater value for public money. Some wondered who would pay for the changes whilst some organisation stated that "*the most recent reports from NHS England, Audit Commission and The Big Lottery all now support grants over commissioning process*". Others thought that the current system of grants should be retained or at least included as part of a commissioning approach.

Other comments

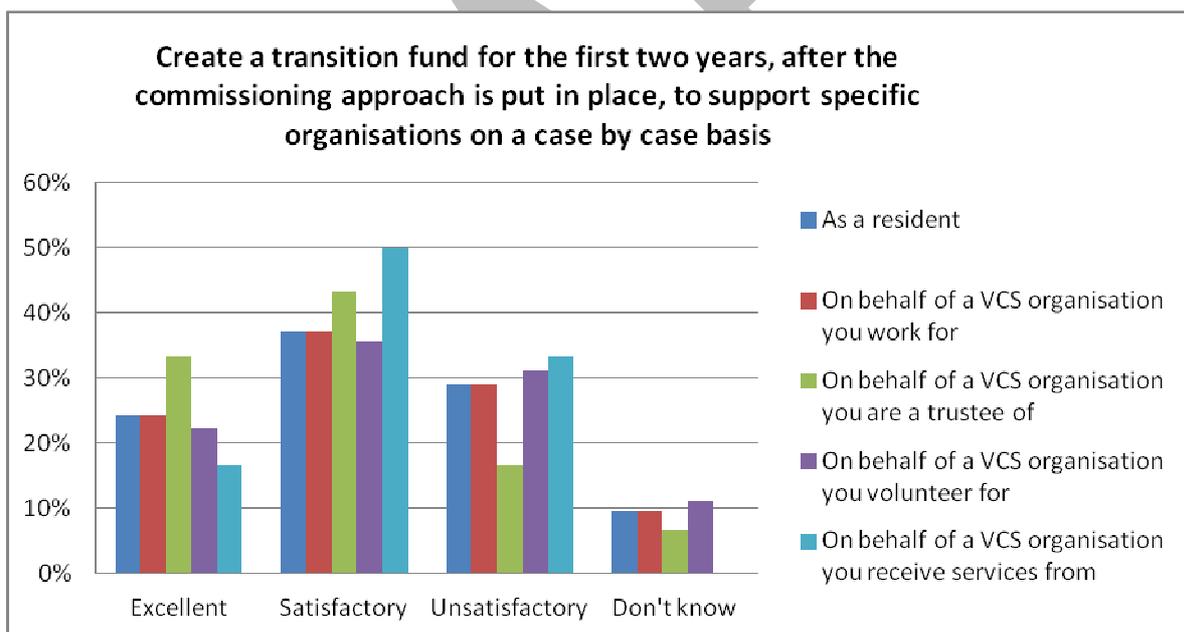
Other comments were also received stating the need for more information; how and who will decide on the outcome areas; annual reviews or contracts may be too regular and a few respondents suggested commissioners should visit existing providers.

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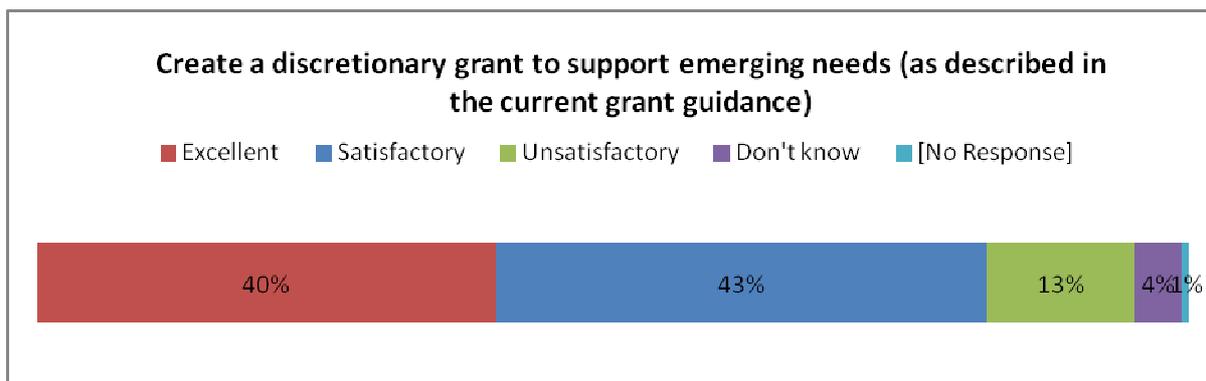
Grants



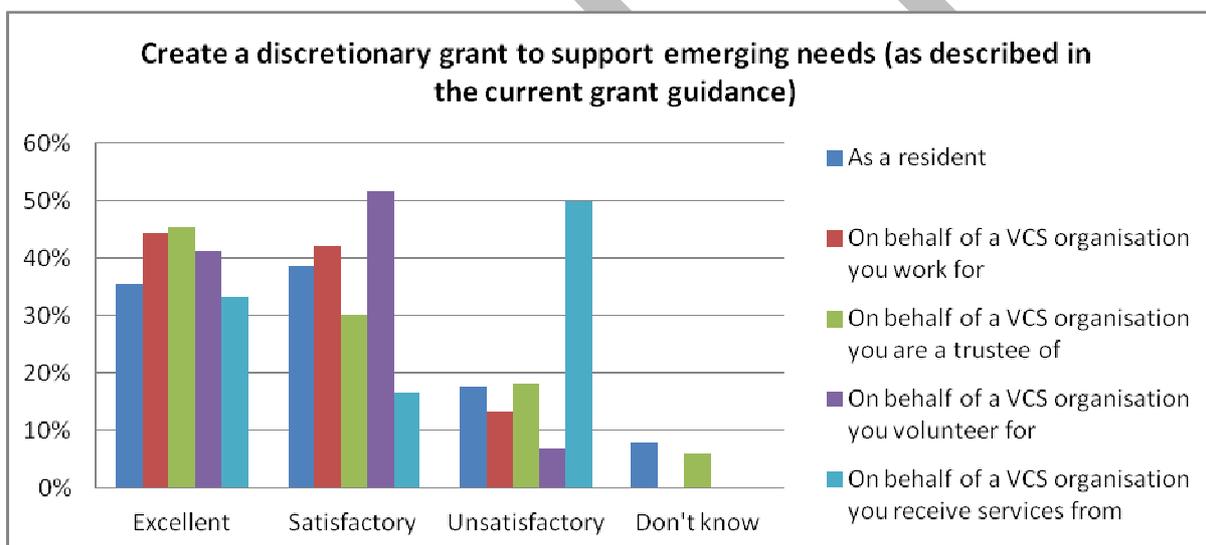
The most common response chosen in regards to this statement was “Satisfactory” (45%, 66), with an equal number (23%, 34) choosing “Excellent” and “Unsatisfactory”. 9% (14) chose “Don’t Know”.



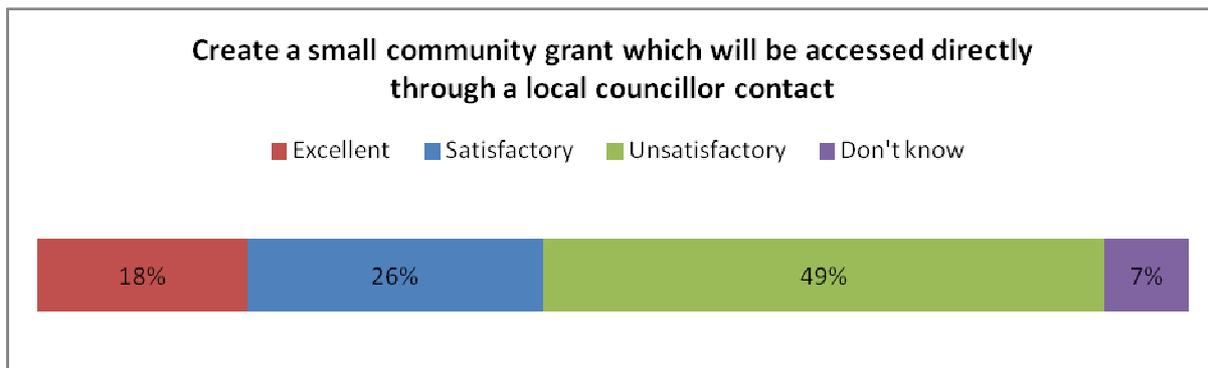
The responses by respondent type reflected the responses made overall. “Unsatisfactory” was the second most common response for all types apart from for VCS trustees, of whom 33% (10) chose “Excellent” as their second most common response, compared to 17% (5) for “Unsatisfactory”.



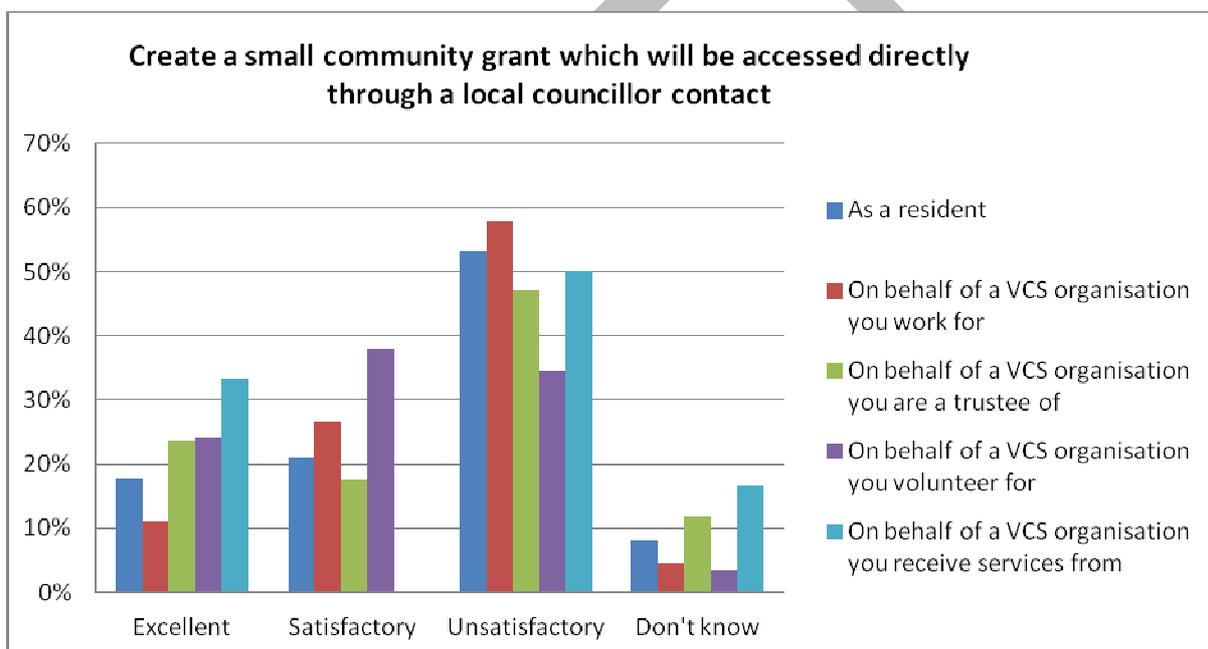
83% (122) of respondents said the creation of the grant was either “Excellent” (40%, 59) or “Satisfactory” (43%, 63). Only 13% (19) said this was “Unsatisfactory”. 4% (6) chose “Don’t Know”.



VCS service receivers were the only group who were largely unsatisfied with the grant, with 50% (3) choosing “Unsatisfactory”. All other groups’ first choice was either “Excellent” or “Satisfactory”.



The largest proportion of respondents (49%, 72) said this proposition was “Unsatisfactory”. 26% (38) chose “Satisfactory” and 18% (27) said this was “Excellent”.



38% (11) of VCS volunteers chose “Satisfactory”, making them the only group to make this their first choice. All other groups largely chose “Unsatisfactory”, with the majority of residents (53%, 33) and VCS employees (58%, 26) choosing this option.

On the Grants sections of the questionnaire, respondents were asked for reasons if they said the considerations were unsatisfactory and how they could be improved.

Individual councillors managing community grants

Many respondents commented that they did not think it was appropriate to access community grants through a local councillor contact. Organisations stated that the process should be independent and transparent and based on an organisation's ability to plan and deliver services. One group commented that *"I do not believe that councillors should manage community grants; as they represent certain political views this could lead to certain charities or community organisations being chosen over others. This process should be independent, open, non-political and based on evidence and need"*

Some thought it could lead to a potential source of conflict for councillors whilst others thought groups may lose out if they are not on the political agenda. Some questioned how groups would be able to access councillors and how the overall balance in outcome areas would be achieved. A few respondents suggested these grants could be decided by a Committee.

More clarity on transition fund

Some respondents stated they needed more information about the transitions fund. Areas such as how big the fund would be, which organisations could apply, who would be eligible, what happens after two years of transition funds, would groups have to close and would funding be sustained were all points that needed clarification. Respondents also wanted to know if people deciding the funding had sufficient information about all the groups in the borough to make informed decisions.

Keep the existing grant system

A few respondents commented that the current grants system should be retained. This was seen to be important particularly for smaller organisations that would be unable to survive without a grant. Another suggestion was for a mixed system of funding where grants would remain the main funding stream but would be complimented by the Council commissioning for specific needs that were not being met by the voluntary sector.

Other comments

Respondents also commented that they thought the grant options need to be more transparent, some needed more information about the options, some thought it would lead to more bureaucracy and would lead to organisations competing against each other while a few respondents thought that the decision to move to a commissioning process had already been made.

Further Questions

Respondents were also asked two open text questions for further suggestions:

1. Based on your knowledge of the VCS, could you suggest the top three measures that we could implement to reduce this risk?

The most popular suggestions were:

- Maintain the current grant system
- Support and training for organisations to commission and obtain future funding
- Support organisations to work in a collaborative way, working together or partnership working
- Grants for smaller organisations for fixed costs, such as rent and salaries
- Implement commissioning in transitional/phased in approach
- Support long standing organisations and small charities
- Evaluate services based on the needs of the community and the number of people benefiting from the service
- Ensure commissioners have a comprehensive understanding of the voluntary sector so they can make evidence based decisions
- Ensure the process is transparent
- Work with smaller organisations as there is a risk they may disappear
- Have grants as well as commissioned services or grants for under a specified amount of money
- Work with the voluntary sector to develop future policies
- Prioritise or ring fence money for certain organisations
- Ensure larger organisations do not overshadow smaller groups
- Retain locally trained staff
- Value local services over out of borough service providers
- Review the timetable

2. Are there any other implications of the council moving from a grants applications to a commissioning approach that you would like to highlight?

As with the previous questions there were a few main issues that respondents highlighted.

A grant system allows the voluntary sector to respond to local need with innovative services

Respondents thought that if services are commissioned then the voluntary sector would not be able to identify the needs in the community and access funding to meet those needs. By moving to a commissioning model, respondents thought they could lose the independence to respond to the needs of the communities they work with every day.

Difficulty for smaller organisations to bid so may lose funding

Respondents wanted the Council to recognise the difficulties smaller organisations may have in the bidding process. Smaller organisations provide discrete services to small cohorts of people who may otherwise rely on Council services. It was felt preparing bids would be resource intensive and smaller organisations would find it difficult to survive. Some respondents commented on capacity issues for smaller organisations such as VAT and quality marks.

Loss of local experience

Respondents thought that if large organisations with more resources from outside the borough were commissioned some voluntary organisations may not be able to deliver services and their local knowledge, experience and trust of working in the local area would be lost and levels of service provided could be undermined.

Competition rather than co-operation

Some respondents thought that commissioning would lead to increased competition between local organisations and feared this would lead to a breakdown in relationships. Some thought that if organisations have to compete against each other they would not be able to collaborate together to develop local services which would have a negative effect for service users.

Grants attract other funding

Some respondents thought that the grant system attracted funding from other organisations such as the Lottery. Some stated that often the value of the grant is multiplied by other sources of funding, goodwill and the value of volunteers' time and commitment which they believed would not happen under a commissioning approach.

Other comments

Some respondents wanted to know how commissioners would up-skill smaller organisations to compete in the bidding process and what support, advice and guidance would be available. Others had concerns about increased bureaucracy, how the tenders will be evaluated and whether it would take account of social value and where the evidence is that commissioning works. Many individual suggestions were also recorded.