

The sixth meeting of Brixham Future CIC will be held on **WEDS 30th August 2017** at 730 pm in Brixham Town Hall.

PLEASE NOTE THE CONFIDENTIAL NATURE OF THE INFORMATION CONTAINED IN THESE PAPERS

| | | |
|---------------|---|--|
| 7.30pm | 1) Introductions & apologies | All |
| 7.35pm | 2) Minutes of last meeting 12 th July 2017 (attached) 3) Actions from last Board meeting not in Agenda 4) Declaration of Interests 5) Board Member –Martyn Green -`leave of absence` -clarification. | Chair -RMS |
| 7.50pm | 6) Projects updates (verbal updates): Breakwater Lighting Wayfinding D-Day & Town murals Christmas Band Charity Day Events report back (July 8 and 29th) Computer 'Ageing Well' outcome -Circulated Grove Woods | Keith Dodd Richard Murray-Smith John Brennan John Rudden Jill Regan Nigel Wood Mike Roseblade |
| | | |
| 8.30pm | Information 7) Torbay Lottery Update (attached) 8) Brixham Neighbourhood Plan (verbal) 9) Section 106-wish list (verbal) 10) New Volunteers Posts (verbal) 11) Town Centre Regeneration Framework – (See Minutes of last meeting 12 th July Appendix 4) 12) Procurement- public sector (attached) 13) Awards for All –lottery bid (document) | Nigel Wood Frances Robinson Frances Robinson John Brennan Richard M-S John Brennan All |
| 9.00pm | Action summary / next steps | All |
| 9.15pm | AOB below / Other news / information | All |
| 9.20pm | Close | |
| | | |

Further Board Dates for diaries2017 @ 730pm Brixham Town Hall:

WEDS 27TH SEPT 2017

WEDS 8TH NOV 2017

WEDS 6TH DEC 2017

AGENDA ITEM 2

Draft -The minutes of the fifth Brixham Future CIC Board held on WEDS 12th July 2017 at 730 pm Furzham Room @ the Brixham Town Hall.

Present: Chair - Richard Murray –Smith (RMS). **Board** - John Brennan (JB), Keith Dodd (KD), Mick Roseblade (MR), Nigel Wood (NW).

Co-Opted Members - Cllr. Jill Regan (JRe), John Rudden (JRu),

Apologies: Frances Robinson (FR) and Cllr. Ian Carr (IG).

Guests: Sally Lord –Brixham community Partnership; Julie Shears –Visitor; Cllr. Paul Addison (PA).

Resignations Cllr. David Giles (DG) from co-option as Board Member.

Governance

1) Introductions & apologies

Welcome & introductions made with apologies from above.

2) Guest Speaker –Kate Farmery (Torbay Culture Board)

The presentation notes are outstanding as Appendix 1.

3) Minutes of last meeting Weds 26th April 2017

Members agreed as a true, accurate and fair record of previous meeting without amendment.

4) Action List and Declaration of Interests

The Action List was approved. N W declared an Interest as a Contractor under Item 9.

5) Board Membership update

RMS explained that Cllr. David Giles has resigned under the Brixham Council rota. and would potentially be replaced by Cllr. Paul Addison who was welcomed to the meeting (Paul to confirm he will replace David as co-opted member).

Action –Governance records to be amended to show above.

6) Reflection on last meeting

MR provided some comments on our direction of travel the presentation notes of which are attached as Appendix 2. He suggested:

- We should invite our Torbay councillors to be more proactive in the discussion;
- He passed around a Photo of a forest city in china;
- He talked about craftsmanship/traditional methods with a modern localised twist as a way of creating high quality local produced goods as flagship items for our retail offering.
- He talked about how we might go about encouraging the youth to take up the challenge possibly as a centre of excellence for design.
- Reminded us that we should also focus on the long term.

7) Development of BF Strategy

RMS suggested as a `follow-on` to MR reflections that we allocate time between meetings to develop our strategy – to help us make decisions about what we focus on and prioritise. This could take the form of two 3 hour sessions, probably in the Autumn. Discussion occurred which approved the idea `in principle` but emphasised the need to ensure we do not become another `talking shop`. Marilyn Fryer had offered to facilitate these sessions at £500. Members were reluctant to agree this impossible to justify without an income stream. It was suggested that we either secure a free venue and free facilitator for the half days or it needs to be externally funded.

Action –RMS to progress

8) Project reports

Wayfinding update

Martyn Green (MG) was unable to attend the Board this evening but was progressing with South Devon College to collate research to underpin the argument for the above to be improved.

Julie Shears had also looked at the relevant issues and made a number of observations. Julie was asked if she would be prepared to lead this project.

Action-RMS to introduce Julie to the project team; currently David Giles, Ian Carr, Richard Murray Smith and Martyn Green.

Action- Julie Shears to progress and update at next Board.

Breakwater lighting report

Keith Dodd (KD) reported progress was being made. He had a response from Brixham Marina who would progress a scheme which would meet their future energy requirements and also provide a source of power for the breakwater lighting project.

Action – KD to progress and report to next Board.

Wall murals

JRu & JB progressing the above. A presentation had been made to the Regeneration Committee.

Each wall mural would cost circa £2K and the latest quote for D-Day 'hoarding' from Enigma Signs indicated £5K. Suggested we look at more photo imagery options but considered cost/maintenance. PA was looking to arrange ceremony with British Legion and invite 'Royal' to unveil.

Action –JB /PA to progress with relevant stakeholders.

Christmas Brass Band - 25th December 2017

JRu had approached the Market House for sponsorship who referred him to main brewery. He believes that funding would help and it was suggested perhaps a better day would be Boxing Day.

Action –JRu to report back to Board.

Main Car Park -Trees

JB had approached South Devon College who had recently installed above in Newton Abbot.

Awaiting proposals but idea seems acceptable to Torbay Council.

Action –Await proposal from SDC.

Charity Day Fair

JRe reported initiative successful with 10 local groups attending on the day and just under £1,000 raised. Each local community group had own table and sale of goods for the day from own contacts. BF CIC covered publicity and own stall. Board Members asked to volunteer as Stewards for full/part of each day. JB pointed to 'branded' BFCIC goods for sale at reasonable prices.

Action –JRe to report back to Board.

9) New Project Proposal –Ageing Well

NW declared an Interest in this Agenda Item and would not remain for the full Board discussion.

JB outline the issues contained in the Board Paper. He supported the proposal as a low cost, quick win, high impact project that would address needs. It would be managed as a contract for the organisation. Although NW was a Board Director there was no prohibition against him delivering this project as long as the relationship was 'open, transparent and accountable'.

NW provided the Board with greater details on how the project would operate and then absented himself from the meeting for the duration of the discussion.

Confidential Board Discussion with vote of all eligible Board Members present Richard Murray – Smith (RMS).**Board** - John Brennan (JB), Keith Dodd (KD), & Mick Roseblade (MR) all **agreeing the proposal**.

Actions:

- a) The details of the Application Form would be worked out between the proposed Contractor, RMS and Project Manager John Brennan, to be submitted by Monday 17th July.
- b) A Procurement Policy and Contract for services would be drawn up for the next Board if required.

Information

10) Townscape Heritage lottery fund

Councillor Ian Carr had submitted his apology but update on progress was contained in Agenda Paper. The goals were to restore the external architectural heritage and remove unsympathetic materials. The critical path included obtaining funding, owners/local support, and co-ordination with stakeholders. The project would involve a best practice guide; implementation of Article 4 direction; surveys and submission of relevant forms to funding bodies. Please see update email from Ian Carr –

Appendix 3.

Action- IC to progress action list from above to get proposals suitable to submit for funding.

11) Torbay Lottery Membership

JB confirmed we were now members of above and direct beneficiaries if people bought tickets. People can choose to support the central fund or a specific good cause such as ourselves. We therefore have a vested interest in encouraging our Board Members, Supporters and relatives and friends to play and nominate our organisation as a beneficiary.

Action- Members encouraged to support BF as their chosen charity when playing the Torbay lottery

12) Brixham Neighbourhood Plan

FR had sent apology but response from Brixham Town Council Working Party attached.

It is not a real plan but a `concept` document.

Action – Await final document before further discussion.

13) Section 106 Letters

The Mayor had also suggested we come up with schemes suggestions for future expenditure and write to him with proposals. PA said he had received information that monies were to be spent on Churston wood.

Action- RMS to contact Frances .

14) Meeting South Devon College

JB asked in light of time constraints and written report Members ask any questions.

Action - Members noted the letter.

15) Meeting on Grove Woods

MR referred Members to Agenda item and stated progress had been made.

Action- MR to update Board on progress.

16) New Volunteer Posts

JB said would if recruited provide additional resource.

Action- Members agree out to TCDT advert.

17) Town Centre Regeneration Framework

Insufficient time to progress above or any other items.

Meeting closed at 10pm.

Action –Outstanding matters to next Board Meeting.

Proposed Meetings dates for diaries 2017 @ 730pm Brixham Town Hall:

WEDS 30TH AUG 2017

WEDS 27TH SEPT 2017

WEDS 8TH NOV 2017

WEDS 13TH DEC 2017

TOTAL MEETING TIME

(2 hours- 30 Mins)

ACTION LIST

- 1) Ageing Well proposal – RMS/JB/NW to complete Forms/Submit-**Done**
- 2) Board strategy development - RMS to explore options
- 3) Current Projects –All lead members to progress
- 4) Section 106 priorities – RMS/FR/JS to review section 106 allocations vs potential projects -**Done**
- 5) Resignations governance records to be amended –**Done**
- 6) Torbay Lottery –Sell tickets update Aug Board – All
- 7) `Follow –up` on points on Car park Site- JB/IC/DG/NM
- 8) JRe to progress 29th July Charity Day-**Done**
- 9) Board members to let JRe know if they can help on July 29th, and what times (start and end of days would be most helpful)
- 10) New Volunteer Director, Co-ordinator, admin officer and Fundraiser post-ask TCDT -**Done**

Appendix 2 –Mick Roseblade`s Presentation notes

At our last board meeting I sat there unable to make any real contribution. I was thinking what am I here for? I know nothing about the workings of local government. I know nothing about retail etc. None of this is in my skill set. So what can I contribute?

Firstly the obvious subject about the trees, I have no doubt that you will very soon be bored of hearing about that from me. But secondly, I can challenge convention. Some of the things I am going to say are not going to be liked as they will contradict some of the things that have been said.

I am not trying to put noses out of joint here, nor am I criticising or saying anyone is wrong, I am simply looking to promote further thought. Therefore I have a few points.

I have been in Brixham long enough now to remember how things used to be before we had a town Council. Our Torbay councillors were non- stop bickering and falling out like children, nothing productive ever seemed to get done. This I think was the reason that we voted to have a town council, because we felt that the needs of Brixham were not being represented.

Our first Town council (based on party lines) simply continued in much the same fashion. Now we seem to have a council that is actually functional and seems to be going in the right Direction, Collaboration not conflict.

I would like to say that, I like what I am hearing so far and the projects we have been discussing are Very promising. But where are our current Torbay councillors in the discussion? Perhaps we need to invite them to be more pro-active?

I heard a comment made that we are struggling to keep the existing retail units open without adding any more. I fully agree we must make best use of what we have before we add more. Perhaps we should be looking at reconfiguring the town layout? I also have a picture to pass around of a new Town being built in china, they are calling it a Forest city. Food for thought perhaps. Think

Temperature regulation, co2 absorption, and pollution absorption and shade from up, Never mind the extra food production and the effect on the landscape.

Assertions were made at the last meeting that high tech is the future and the way forward. I heard more than one voice on this. I wish to challenge that view. If we want a resilient vibrant town maybe we should look at a complimentary vision? So what could make Brixham stand out from the crowd? Perhaps we should also be promoting craftsmanship and traditional skills with a modern contemporary twist also utilising some of the high tech that we are so keen to promote.
I.e. High quality bespoke products with a local identity.

If you make good quality products then put them in our shops it improves our retail offering and Compliments the existing project work of the conservation of our shop fronts. This could have a knock on effect of providing quality skilled employment in the local manufacturing and is good for the retail sector. It might be worth noting that we are lucky to have several traditional trades still in business within the area and close by. You have probably heard of “Not on the High Street .com” Well how about “Yes it is on Brixham`s High street.com

So how could we go about achieving this?

I think the key to it is to inspire the younger population to innovate a modern twist on tradition. The **future** is in the hands of the youth. We already have a thriving art/craft section here, we can add to this by aiming to become a centre of excellence for design.

Maybe funding some youth competitions/challenges for designs to be sold in Brixham. Perhaps we should think about a design centre working with school/ college. This could be a new direction for the Library. Think AutoCAD, graphics software,3d printing etc.

We could look at creating/utilising existing a workshop with faculties, machinery and tools etc for Designers to use to model/prototype their designs. (men`s shed comes to mind).

We need to give the young the skills, tools and the imagination to go with it. My previous suggestion about an apprentice fund could feed into that. Finally- I keep hearing that “we need quick wins”. I know we need to gain credibility but so far nobody is paying us to be here. We have no Paid staff, There is no one that expects a quick return.

Perhaps we should embrace our name and spend a little more time on the longer picture.
WE NEED A VISION to feed into.

Appendix 3

Hi Richard

Unfortunately I will have to give my apologies for tonight's meeting due to family issues. In the meantime, just to update the Board:

The Town Council Planning Committee is looking to producing a Best Practice Guide to development, which will draw out some of the guidance in the Local Plan, emerging Neighbourhood Plan at other best practice guides. This will be quite visual and intended to be highly accessible to lay persons. I am in discussions with MTA Architects to give us an idea of cost.

I have also spoken quickly to Francis, who will hopefully be assisting us in pursuing the enactment of an Article 4 Direction to remove certain permitted development rights in the Conservation Areas in Brixham. This will also complement our regeneration plans in the town.

If there are any further issues to update you with prior to the next meeting I shall email you.

Regards
Ian Carr

Appendix 4 – Additional Information update to Agenda Item 17.

Town Centre Management Meeting Notes Wednesday 24th May 2017

Present:

David Giles (BTC) Rosemary Clarke (BTC) Tracy Hallett (BTC) Ian Carr (BTC) Mona Stock (BPNF)
Richard Murry-Smith (BF) Nigel Makin (Brixham Chamber) Pat Steward (TDA)

Wider Torbay Regeneration

Pat updated everyone with why the meeting was being held and where Torbay Council is to date. He confirmed that the Town Centres Transformation Strategy, agreed by Council in April 2017, had its foundations in the Local Plan, Neighbourhood Plans, the Economic Strategy and Destination Management Plan. The first phase of delivery of the Strategy is to give developers confidence – with the Council leading on delivery. For example, Torbay Council agreed in May to fund development in Torquay Town Hall car park.

Pat explained that his remit from the Council for Brixham is clear: seek redevelopment of the town centre car park and building frontage improvements (to the High Street and Harbour area). The Strategy includes the Town Centre Car Park, Brixham. The Council want to deliver the ingredients of the community's concept plan. Unfortunately, the concept plan is not viable in its current format. Want to pick up key ingredients and develop into a viable, deliverable development. One of the reasons development is difficult, in viability terms, is the high cost of infrastructure improvements to the site (to deal with flood risk etc).

The Council may, in looking at the site more innovatively, see whether it could cover the costs of infrastructure improvements and act as master builder – leasing plots to different users. Want to work in partnership with the community to develop Brixham car park site, hence reason for meeting today. The Council's town centre regeneration timetable includes the presentation of a business case for development to Council in December 2017.

In relation to building frontage improvements, Torbay Council will hopefully agree to a pot of money in July, but this will need to be split across the three Towns and will operate as a grant fund, covering a maximum of 50% of the costs of work up to a specific limit. There is the opportunity of applying for additional funding from other sources to put towards the Torbay Council funding.

Need to identify buildings that need redeveloping.

Can use Article 4 direction.

Has to be commercially viable.

Pat to produce a business case, to present to Council, to show how Torbay Council will see a return from this investment.

David feels Falmouth concept of a Town Manager will be overkill. All agreed a Town Centre Manager would be the way forward to develop and make the master plan scheme a success. Suggested that Torbay Council and Chamber may wish to contribute £10,000 each towards the salary for an annual salary of approximately £30,000. Town Centre Manager would involve development management, investment into the town, sponsorship for events, co-ordinating events.

Pat advised that the Brixham representatives needed to be aware that Torbay Council was not in a position to simply give £10,000 into a Town Centre Manager for just Brixham, especially at a time of significant financial reductions within the Council. He advised that the Council may only give it consideration if Brixham could make a very clear business case, showing that £10,000 is worth investing.

BTC need to put a business plan together of why they are asking and how this will be supported, including what Torbay Council will get back. 80% don't pay business rate. Every retail will pay business rate. Tracy suggested that Town Council invest in Town Centre Manager and pitch to Torbay Council to pay Brixham once it is proved that the concept works and Torbay Council revenue has increased. This seemed to be a better solution and BTC now need to work out how this can be achieved.

Central Car Park Development

Torbay Council does not want to reduce parking spaces. They want to increase it.

Pat looking at lots of different options to see which one would work best. But clear that traditional solutions have not come forward on the site for the last 20 years, so need to consider innovative solutions e.g. potential for Council to fund upfront infrastructure costs, knowing that there is sign up to development from – for example – hotelier, retailers, residential. Pat considers there is a need to put more emphasis on uses and activity on the site, and not to start with design. There are good examples across the country of apparently temporary uses adding huge value (e.g. Wapping Wharf, Bristol) and off-site manufacturing allowing for cheaper, quicker construction. Pat knows that many community and business members in Brixham are asking for the redevelopment of the car park to happen soon. Pat wants to better understand, from representatives at the meeting, the appetite from Brixham for an innovative solution.

Branding

Pat suggested that David get in touch with Carolyn Custerson and Alan Denby, who may be able to help with branding ideas. But Pat did not think it was sensible for Brixham to do independent branding.

Ideas

Put a document together a skills set. It may be that members of the Chamber have contacts with larger organisations i.e. Hilton to see if we can start discussions.

Tracy & Pat to liaise with each other. Brixham group to feed ideas to Tracy who can then pull information together for Pat.

Need to ensure that both parties have an understanding of what roles each party are playing in the bigger scheme. No point in any duplication due to Tracy and Pat's workload commitments.

Framework paper

Pat asked whether there were any concerns about the way in which the Council wants to work with community and business groups in Brixham, as set out in the previously circulated framework paper. There were no concerns.

AGENDA ITEM 7

Lottery update - Payment Processed!

Hi BRIXHAM FUTURE CIC,

We've processed a payment for your cause. Please see below for more information.

Payment Summary

| Source | Funds Raised |
|--------------|---------------|
| Tickets | £31.00 |
| Donations | £0.00 |
| Total | £31.00 |

Payment Details

Ticket Funds:

| From | To | Tickets Entered Into Draws | Funds Raised (50p per ticket) |
|------------|------------|----------------------------|-------------------------------|
| 03/07/2017 | 07/08/2017 | 52 | £26.00 |
| 01/05/2017 | 05/06/2017 | 10 | £5.00 |
| | | Total | £31.00 |

Donation Funds:

| Donations | Donations Value |
|--------------|-----------------|
| 0 | £0.00 |
| Total | £0.00 |

Kind regards,

AGENDA ITEM 12

Raising Funds -Guide to Commissioning and Procurement

1) Introduction

Whilst we can raise some local income and apply for charitable grants much local and National government funding for community organisations is now mainly competitive contracts.

Most public bodies have introduced a formal commissioning and procurement process whereby potential service providers are invited to compete for a contract to deliver a specific public service.

We must therefore compete with other organisations, private businesses and public sector bodies to bid for and win public contracts for specific projects and new services.

Brixham Future CIC therefore needs to understand `what it is all about` and how we can go about securing some of this work and income from it.

2) What is commissioning and procurement?

‘Commissioning’ and ‘procurement’ are two different things:

Commissioning is the process of identifying needs, designing and planning services to meet those needs, securing the services and monitoring and evaluating them.

Procurement is the process of buying of goods and services from an external agency. It is only *part* of a commissioning process and it is a specific method of buying goods and services with a contract.

All national and local public service organisations are now taking a ‘commissioning’ approach to the design and delivery of public services. They *aim* to be more strategic, gain a deeper understanding of people’s needs, improve the quality of services, improve outcomes for service users, and ensure that public money is allocated according to local and national priorities. Public bodies also aim to spend public money more effectively and reduce any waste of resources.

3) Does commissioning always involve a procurement process?

No, public bodies can deliver services in different ways. For example:

- By delivering the service itself, by employing its own staff and providing other resources
- By providing a grant to another organisation to deliver the service
- By providing ‘in-kind’ support to an organisation which is providing the service (e.g. a local authority could provide staff, buildings, equipment)
- By working in a formal partnership with one or more organisations

- By giving financial support to service users who can then buy their own services¹
- By investing in an organisation to deliver a service which generates its own income
- By using a formal procurement process and awarding a contract to deliver a service

An 'intelligent' commissioning process will involve commissioners considering all the possible funding options, and choosing a method that is most likely to result in a high quality service. It is sometimes possible to make the case for 'intelligent commissioning' and encourage commissioners consider various funding options, including grants. Guidance on 'intelligent commissioning': http://www.wrc.org.uk/includes/documents/cm_docs/2009/i/intelligent_commissioning.pdf

4) Who is involved in commissioning?

All local and national public bodies are now using a commissioning (and procurement) process. This includes:

- Central government departments and agencies (e.g. Department of Education, Ministry of Justice, Home Office, Skills Funding Agency etc.)
- The NHS Local Authorities, UK Police and Fire Services, Universities and colleges

5) Background and Legal Issues

Changes in UK government policy and European Union laws have led to public bodies introducing commissioning and procurement processes for the delivery of public services.

a) Changes to UK government policy

The introduction of 'contracting out' was based on an assumption that this would bring greater efficiency and 'value for money' and enable public bodies to focus on a more strategic role. In the current economic climate, widespread funding cuts mean there are actually fewer commissioning opportunities. There is a greater emphasis on the cost of services and it is likely that voluntary and community organisations will have to work in partnership in order to access larger contracts.

b) Implementation of European Union law

Public bodies must also comply with European Union (EU) law to prevent discriminating against individuals or businesses or restricting the free movement of workers, goods and services. European procurement rules or 'Directives' set out procedures for how public goods and services should be purchased.

It is not always necessary for public bodies to follow the full EU procurement rules; this depends on the type and value of the contract. The rules categorise services as either 'Part A' or 'Part B' and set a minimum financial threshold for when the rules should apply.² Most of the voluntary sector will be part of the 'Part B' category, such as:

- health and social services
- recreational, cultural and sporting services
- education and vocational education
- legal services

¹ Many disabled people, elderly people and people with mental health problems now have their own 'personal budgets' to buy their own services. For more information, see NCVO website: www.ncvo-vol.org.uk/personalisationresources

² For a full list of 'Part A' and 'Part B' services, see: NAVCA Guide, 'When do procurement rules apply?' <http://www.navca.org.uk/localvs/lcp/news/procurementrules.htm>

- personnel placement and supply

It is not necessary for public service organisations to follow the full EU procurement rules for 'Part B' services. They can use a less complex procurement process, which makes it easier for voluntary and community sector organisations to bid for funding. 'Part A' services that may be relevant include:

- computer and related services
- research and development services where the benefits are received exclusively by the public service organisation awarding the contract
- management consultancy services

The full EU procurement rules do apply to 'Part A' services if the value of the contract is over £101,323 (if the contract is being awarded by a central government agency) or £156,442 (for contracts awarded by all other public service organisations).³ The value of a contract is calculated by adding up the amount to be paid over the whole contract period, so if the contract is for 3 years, it is the total amount (not the amount paid each year).

Public service organisations will also have their own internal procedures for purchasing services that they must follow. Local authorities should have a written strategy or policy outlining its approach to procuring (or buying) services which is available on their websites.

Sometimes, commissioners will say that they have to follow the EU procurement rules, when this is not the case. It may be possible for voluntary and community organisations to discuss funding options and present the case for 'intelligent commissioning'.

6) How is commissioning and procurement different from applying for grants?

- Commissioners decide what is needed then buy a service, instead of organisations convincing funders that a project is needed and asking for money to run it
- The process is more complex than for most grants applications
- Commissioners require organisations to meet certain standards (e.g. re: finances, governance, etc.) more demanding than those required by grant funders
- Emphasis on achievement of outcomes for service users
- Emphasis on achievement of public bodies' strategic aims and specific targets
- Funding is often for longer periods and has demanding monitoring requirements

If the commissioning process involves a full procurement process the contracts are legally binding on both sides and contracts can involve legal issues re: trading and VAT.

Each public body will have its own approach to commissioning and procurement and many have introduced aspects of a procurement process into their grants schemes.

Many grant funders have also introduced more complex application processes and monitoring requirements, focus on the achievement of outcomes and provide longer-term grants.

This means it is very important to find out what kind of commissioning process is used by the commissioners who fund our type of work, and in our local area.

³ For updated information, go to the Office of Government Commerce www.ogc.gov.uk

7) Why does Brixham Future CIC need to get involved with commissioning?

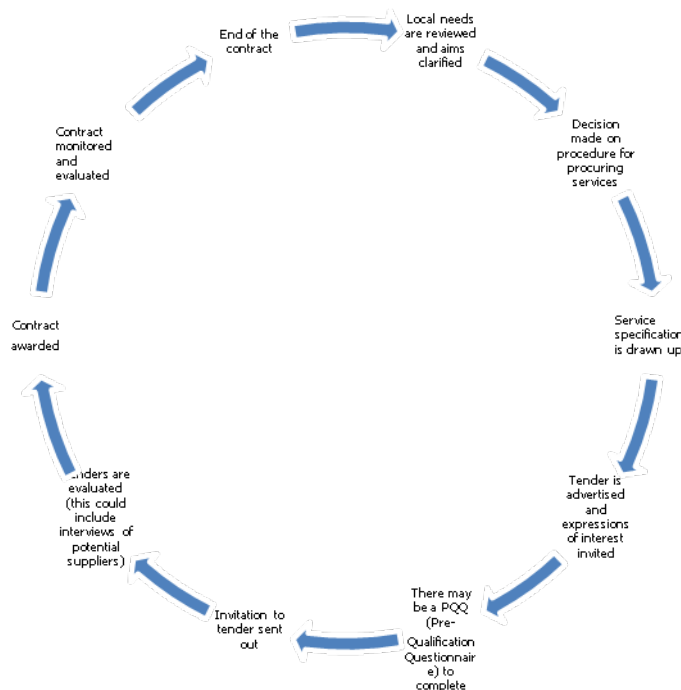
We need an income to provide any service or maintain it when up and running and to deliver the variety of local projects. Almost all government funding now involves a commissioning process, with the exception of small grants (usually less than £10,000). Most local councils have now introduced a commissioning process, including a local needs assessment. This may mean that some lose funding and new organisations are funded.

8) Things to consider when deciding whether to bid

Often the decision is taken under pressure caused by urgent deadlines. This can lead to tenders for inappropriate contracts which do not cover the organisation's costs or involve serious risk to the organisation. Before deciding to tender to deliver a service we need to ask:

- ☐ Does the service fit our constitution, purpose, aims and strategy?
- ☐ How will the new service impact on our current work?
- ☐ Do we have the capacity, skills and experience to deliver
- ☐ Do we have the time, resources, skills and experience to complete the tender? [
- ☐ Does the money available enable us to fund all the costs of delivering the service?
- ☐ Are the terms and conditions acceptable? [Check the draft contract – or terms and conditions of grant.] What is the level of risk? [e.g. legal, financial, reputation etc.]
- ☐ Is the service sustainable?
- ☐ We will need legal advice

9) The commissioning cycle



Commissioners are responsible for doing a need's assessment, deciding on the service specification, evaluation criteria, how tenders will be assessed and the timescales for the process.

Procurement officers ensure the legality of a procurement process, decide on the paper work (e.g. format of tenders), ensure all tenders are treated equally, and timescales and procedures are followed correctly.

In reality this isn't always happening; sometimes procurement officers (who will usually know nothing about the services being bought) dominate the process, and sometimes commissioners themselves do not know a lot about the services they are commissioning.

Please see diagram summarising different types of commissioning and procurement processes: [C & P flow chart.doc](#)

10) Influencing the commissioning process

In some local areas, commissioners are openly trying to engage with voluntary and community organisations, holding consultation meetings and perhaps even offering training and support with their commissioning process. In other areas, commissioners are very hard to communicate with!

9 ways to influence commissioners -Adapted from: The Complete Guide to Surviving Contracts for Voluntary Organisations, by Alan Lawrie and Jan Mellor, published 2008

A. Start early

To be effective in influencing commissioning, we need to start early and try to get involved in discussions about local needs, the design of services and commissioning process itself. We also need to build relationships with potential allies (e.g. local networks/forums, local councillors, etc.) – to make the case for Brixham Future's projects and/or specialist services.

B. Be involved in strategy

Commissioners are aiming to achieve strategic objectives. We need to find out which strategies and policies are relevant to our objectives in Brixham Future CIC.

Commissioners would like to hear views and ideas about their strategies and forward plans. This can be a useful way of influencing future priorities.

C. Involve users

Commissioners want to talk to service users /beneficiaries directly. Service users can then talk about their experience, needs and opinions about the services/projects we provide.

D. Identify trends

It is useful to record any changes. By telling commissioners about these trends we open up a discussion with commissioners about needs and future services/projects.

E. Link up with government targets

Commissioners are under pressure to show that their services meet government targets or policies. It is useful to show commissioners how Brixham Future CIC can help them meet their targets.

F. Record gaps and unmet needs

We need records of needs that are not being met. By recording this information we back up our case when you talk to commissioners about local Brixham needs and future plans.

G. Share experience

By encouraging commissioners to see how you work, they will have a better understanding of the realities faced by staff delivering services and the experiences of service users. This is also a good way to open up discussion with commissioners.

H. Produce evidence

It is very important to collect evidence of the outcomes of our services/projects . By showing how

these support people to make significant changes or improvements to their lives, we can present a strong case to commissioners.

I. Participate!

Although this takes a lot of time, it is important to participate in consultation meetings, networks and forums. These meetings can be an opportunity to meet commissioners, raise Brixham's Future CIC's profile and influence thinking.

11) Types of tender procedure

If commissioners decide to fund services through a tendering procedure (instead of a grants process), they can choose different types of procedure. The two most commonly used by commissioners are:

- Open: All those who show an interest and respond to an advert about a potential contract are invited to tender (put in a bid) to deliver a service.
- Restricted: All those who show an interest and respond to an advert must meet some initial criteria before they are invited to tender. Usually this involves completing a 'pre-qualification questionnaire' (PQQ). The public body then uses this information to create a shortlist of providers who will be invited to put in a bid to deliver the service.

Another version of a restricted procedure is a 'framework agreement' where the public body advertises its intention to tender for a group or sector of services – the main terms and price of future contracts are outlined (the 'framework'), but there is no obligation on the public body to buy services. A shortlist of 'preferred suppliers' (or 'preferred providers') is drawn up, based on completing a PQQ. The public body can then invite a selection of organisations on the list to tender for a service once it has been defined. This list can run for 4 years – so it can be really important to be on it.

Two other types:

Negotiated: Similar to the above procedures but the public body negotiates the terms of a contract with a shortlist of selected organisations.

Competitive dialogue: Following completion of a PQQ, the public body selects a small number of organisations, visits and talks to each of them in order to define the service specification. Once the specification is finalised, they ask all of them to tender for the service. Used for more complex projects.

12) Where are contracts advertised?

Our best way to find out about commissioning opportunities is through your networks, local voluntary sector email bulletins etc. Contracts will also be advertised through:

- ☐ Councils for Voluntary Service (CVS, Voluntary Action)
- ☐ Local/regional/national press, Official Journal of the European Union (OJEU)*, trade journals
- ☐ Information from Local Strategic Partnership representatives⁴
- ☐ Information from commissioners & Websites
 - Local authority
 - Skills Funding Agency www.skillsfundingagency.bis.gov.uk
 - Contracts Finder www.contractsfinder.businesslink.gov.uk
 - CompeteFor (London 2012 opportunities) www.competefor.com
 - London Tenders Portal www.londontenders.org

⁴ It is not clear yet whether Local Strategic Partnerships will continue or be replaced by another type of local partnership body.

- Funding Central fundingcentral@ncvo-vol.org.uk

13) The Tendering Process

What is a Pre-Qualification Questionnaire?

Usually organisations will be required to fill in a pre-qualification questionnaire (PQQ) to reduce the number of organisations bidding for a contract to a manageable amount. This is the first stage of the tendering process.

Not all public bodies require us to go through a PQQ, but many do. Also, **some** public bodies **may** ask us to complete an initial form which is based on a PQQ, but is simpler and more appropriate for voluntary and community organisations.

The PQQ is very important – it can take a long time to get all the information together. The PQQ can also be used to shortlist organisations to go on a preferred supplier list.

It is also possible that Brixham Future CIC is unable to meet PQQ requirements (e.g. quality standards, health and safety policy and procedures, etc.). We need to plan ahead and ensure we will be able to meet the essential requirements of most PQQs.

Please see examples: [Handouts for training\Croydon core info form.doc](#) +

[Handouts for training\WA Tendering Pack - Havering PQQ.pdf](#) + [Handouts for training\PQQ YP Tender Tower Hamlets PCT.doc](#)

14) Completing a PQQ:

Please look at examples of PQQs before reading the points below.

- Contact person: This needs to be someone senior in Brixham Future CIC.
- Describe your 'business activity': We need to ensure the aspects of our work that match what they are looking for and track record.
- List previous 'contracts': We need to list our previous funders and the projects they have funded.
- Financial information: public bodies want to be reassured that our organisation has enough income and manages its money well. Sometimes they will specify a minimum income level, but if not, they are usually looking for organisations where the contract will represent no more than 20% of your total income. This is difficult for new or small organisations – but we may be in a stronger position if Brixham Future CIC is the only (or one of a few) specialist organisations or our Board and staff have specialist skills and experience. Another way to overcome this barrier is to get involved in a consortium bid (see section on partnerships and consortia below).
- Insurance: We need employer's liability and public liability that provides £10 million cover.
- Risk management: We need to show how Board and senior staff manages risk – e.g. risk assessment, level of reserves, policies and procedures, business planning etc.
- Health and Safety policy: For organisations with more than five members of staff, this is a legal requirement. Brixham Future CIC has an established set of health and safety policies and procedures –see the Health and Safety Executive website: www.hse.gov.uk

- Equality and diversity policy: We have a range of established policies to relate our policy to their equality duties and equality 'schemes'
- Quality standards: This can be tricky for smaller organisations. Public bodies are looking for organisations that can provide evidence of their efficiency, high standards, good management, clear and consistent procedures etc. An externally accredited quality standard helps to show this. However, there is no point in going through an expensive and time consuming quality assessment unless it is appropriate and beneficial for Brixham Future . Depending on the contract and/or commissioner, different quality standards will be acceptable; it is important to find out what our particular commissioner is looking for. Examples of quality standards are: PQASSO, Investors in People, ISO900, Advice Quality Mark, Investors in Volunteers, Supporting People quality standard, NVQs gained by staff related to specific fields of work, etc.
- Environmental policy: Increasingly this is requested; you need to show the steps your organisation is taking to reduce its impact on the environment, reduce waste etc. For further information, see NCVO website: www.ncvo-vol.org.uk
- Experience and credentials: It is important to show that our Board and any staff or contractors have the right skills, qualifications and experience, and if possible, show that you've run this kind of service before. Also, we need good references.

15) Invitation to tender

Once through the PQQ stage, we will be sent an 'invitation to tender' (ITT) for a contract. This may happen automatically or you may have to submit an 'expression of interest'. You will then be sent a tender pack. A tender pack would usually include:

- An introductory letter (providing some background information about the service and why it is being commissioned)
- Timetable and arrangements (including key stages, deadlines, how to get more information etc.),
- The service specification (including aims and/or outcomes the commissioner wants to achieve, who the beneficiaries are, description of service, expected standards, length of contract and how much the public body will pay)
- Instructions for completing the tender (guidance on what organisations need to do if they want to bid for this contract, format they should use, the information they should provide etc.)
- A draft copy of the main terms and conditions of the contract
- Evaluation criteria (how the tenders will be assessed and this should also include their scoring system)
- Tender label or envelope

Specifications vary considerably in style, length and format. Some are very specific about what is needed; others are more open requests for proposals. Some describe the outcomes they want to see achieved, and want providers to show how they would deliver the services; others specify in detail the way they want the services delivered as well. Sometimes they will include an application form to complete or they will give you a list of questions to answer.

It is very important to **read everything thoroughly!** It is also very important for staff and management committee/board members to decide whether you want to bid to run this specific service. Please see 'Things to consider' section below.

You will have a limited period of time to ask questions – so if you are unclear about any aspect of the specification, the contract, terminology, etc. – we **must ask right away**.

It is likely that you will need to submit questions in writing or online or attend a meeting. Any questions asked by any of the organisations who are tendering (and the answers) will be sent to everyone. This to ensure the process is fair and equal. It's important to read these questions and answers (including those asked by other organisations) as they may provide some important information.

we must follow their instructions exactly:

- If we tender is late (by even a minute) it won't be considered
- **Use the label/envelope provided** – if you write anything on the envelope the tender won't be considered as this could identify your tender from others. (Don't use guaranteed next day delivery – as it has sender's name on it.)
- Sign all the documents that need a signature
- Include any documents requested (e.g. copies of policies, annual accounts etc.)

We must ensure we give ourselves enough time to write and send in the tender – usually there will be problems so it is best to allow more time than you think you will need.

See examples of service specifications: [Handouts for training\Brent DV spec 5 June 08.doc](#) + [documents linked to C & P Guide\specifications\healthy hackney standard invitation to tender september 2009.doc](#)

16) Writing the tender

Tenders come in different formats depending on the size of the contract, and the tender process. Some commissioners will ask you to complete a form; others will give us a set of questions to answer and some will leave you to decide how to write your bid.

We will need to explain how we will deliver the service (this is sometimes called a 'method statement'). We need to make a strong case for why our organisation is the best one to deliver:

- Explain what is unique about Brixham Future's experience
- Show our track record – our experience of delivering similar services, achieving similar outcomes, meeting deadlines, etc.
- Show that we have previous experience of working with the particular group of service users
- (if relevant) show your knowledge of the local area and local issues
- Emphasise and show your specialist knowledge and experience of issues, policies and good practice relating to this type of service
- Show that Brixham Future CIC has the capacity, skills and experience to manage the service
- Explain your links and experience of partnership working with others, especially if this improves the service (e.g. quicker, better referrals)
- Show our commitment to high quality standards and ensuring continuous improvement
- Show our understanding of the commissioner's goals, policy objectives and strategies and refer to these our tender. How will our service will help achieve these goals (and targets).

Similar to a successful grant application, a good tender will clearly explain what a good service looks like and why it is the best way of delivering positive outcomes for the service users.

Make sure our plans for delivering the service are realistic – if we are successful these plans will become part of your contract and usually, you cannot negotiate changes.

When you are writing about what your organisation does or plans to do for a new service, back up our case with evidence and examples (e.g. case studies, quotes from service users or other providers, photos etc.).

You will also need to explain how we will manage the transition to delivering a new service or introduce changes to an existing service (this is sometimes called a 'transition plan'). Sometimes, we may be bidding to take over an existing service currently run by another organisation or the contract could involve a significant expansion of our current services. If so, we need to explain our plans for ensuring this expansion happens smoothly. Please see 'costing' section below re: taking on staff from other organisations.

17) Practical tips for completing a tender (Many are very similar to filling in a grant application.)

- Be clear, use plain English and avoid jargon
- Keep to the word limits (your tender could be disqualified otherwise)
- Make sure your bid is well laid out and presented and easy to read
- Assume those assessing your tender have no knowledge of your organisation
- Answer all the questions, even if they don't seem completely relevant to you.
- Give complete answers to all questions – don't refer to previous answers in later questions. This is because different people could be assessing different questions.
- Don't attach additional documents unless these are specifically asked for
- Be very careful of 'cutting and pasting' from other applications or tenders
- Put the name of your organisation on every page and get someone to proofread the work
- Get help if needed – if someone who has completed tenders before, get advice and support.

18) Added Value

The above is the extra benefit you can offer *as part of your core work*. This does not mean extra work. It is important to focus on the outcomes of these features – for example a LOCAL project:

- Provision of local services enables people to feel safe, develop a sense of community
- Enabling people to contribute to the community and have a greater voice, through access to local services, consultations etc.
- Increased self-esteem, confidence and improved mental and physical health could lead to paid employment
- Increased self-esteem, confidence and improved mental and physical health could impact on children and young people reduce costs for wide range of statutory services (e.g. health, social care, prisons and probation, employment etc.)
- Services provided by staff and volunteers who have shared experience with service users helps to ensure services are relevant, and leads to more positive outcomes

Other features that contribute 'added value' (not specific to BFCIC) include involvement of our volunteers which provides a wider range of services to greater numbers of service users /projects in a cost effective way. They also ensure fast track responses utilising local contacts and knowledge.

Access to free training or venues provided by another organisation will make our project more cost effective

19) Outputs and outcomes

Commissioners will expect us to show how we will achieve 'outputs' and 'outcomes' (and sometimes 'impact'). So it is important that we have a good understanding of these terms. Many grant funders (e.g. Big Lottery, Comic Relief) also ask organisations to describe the outcomes of their work, so these terms are useful for any kind of fundraising.

Sometimes commissioners will already have identified the outcomes (and even outputs) they want you to deliver. You will need to explain in our bid how you will achieve these outputs and outcomes and how you will monitor their achievement.

Definitions:⁵

Outputs: The services, activities and products that your organisation provides e.g. what you are actually going to do – describe the type of service and how you will run it, for how many people, for how long, how often and where. Examples:

- Befriending service for isolated people
- One to one counselling service
- Job search training

Outcomes: All the changes, benefits, learning or other effects that happen as a result of your activities e.g. the positive changes you support service users to make – describe the benefits of your services using words that show changes: increased, decreased, improved etc.

Examples:

- Increased confidence and self-esteem
- Improved mental health and well-being
- Increased numbers of women taking up voluntary work

Impact: The Performance Hub says there is no clear consensus about exactly what impact means! It is usually used to mean the broader, wider changes that your organisation creates. The impact is usually longer term and includes effects that go beyond the immediate group of people you are working with.

- Decrease in numbers of women admitted to the local mental health hospital
- Increase in rates of employment among local women

Outcomes should be SMART (specific, measurable, achievable, realistic and time-based)

Be aware that commissioners *themselves* are not always clear about defining outcomes:

It is very important that you are realistic about the outputs and outcomes you plan to achieve – these are likely to be included in your contract if you are successful. *If possible*, it is good to be aware of the services that your 'competitors' run and ensure that the services you plan to run compare favourably.

20) Costing and Pricing

Ideally, organisations should aim for 'full-cost recovery'.⁶ This means funding the direct costs of

⁵ These are the definitions used by the Charities Evaluation Service www.ces.org.uk
Also, please see the WRC Guide: 'An Introduction to Measuring Outcomes', www.wrc.org.uk

delivering a service and the indirect costs of supporting the service and managing the organisation. Of course, in reality commissioners may be unwilling to meet full costs. It is very important that we understand what our full costs are – as crucial in our decision about whether to bid for a contract.

Any costs that are only for running a service would be direct costs. These include for example: staff costs, equipment, materials or resources only used by the service, staff supervision, IT costs to set up a database for the service, publicity for the service, etc.

Any costs for Brixham Future functions would be indirect costs. They are not directly involved with the delivery of the service but the service could not run unless the organisation was able to operate smoothly. These costs include for example: rent and bills, finance and admin staff, audit, Board expenses, insurance, etc. These are usually called ‘running costs’, ‘overheads’ or ‘core costs’.

There are different ways to allocate indirect costs – the most important thing is to be able to have a clear and justifiable method for doing this and to explain this in your tender.

Possible ways of calculating an appropriate portion of indirect costs for a specific project (or service):

- Based on the number of hours project staff work as a portion of total staff hours in the organisation (e.g. if we have 5 staff working a total of 140 hours per week, and the worker for this specific project works 28 hours per week, this is 20% of total staff hours in the organisation, so you allocate 20% of indirect costs to this project)
- Based on an analysis of indirect staff time spent on each project (e.g. find out how many hours managers, admin or finance staff spend on a particular project, allocate a portion of their salary costs according to the number of hours they spend supporting this project)
- According to the estimated or actual use of the overhead (e.g. telephone used 20% by Project A, 30% by Project B and 50% by Project C)
- Each project is allocated a standard management and administration cost (e.g. 20%) and this is added to all project budgets
- A combination of these methods

Some commissioners will ask for budgets based on ‘unit costs’ (the cost of providing a service to an individual person). For more information about unit costs, see Cash-on-Line (www.cash-online.org.uk) or SITRA (www.sitra.org.uk)

Some contracts will involve an organisation taking on an existing service, including staff. In this case TUPE regulations apply. [TUPE: Transfer of Undertakings (Protection of Employment) regulations 2006].

The employees of the previous organisation have the right to keep the same salaries and employment conditions (e.g. hours of work, salary scales, holiday, pension) as they had in the previous organisation.

When tendering for a contract it is very important to find out if the service will require transferring staff (and TUPE) and if so, to find out all the necessary information to assess the costs involved.

21) Pricing a tender

Often the commissioner will set the amount they are willing to pay for a service. In this case,

⁶ See ACEVO model for ‘full-cost recovery’ www.acevo.org.uk

Brixham Future CIC must ensure that the cost of the service they are offering to run is realistic and outcomes are achievable within the budget.

We might think that **cost** and **price** are the same thing but in fact, deciding on the price of your bid is a process of finding out about the average cost of similar services ('benchmarking') and judging how much the commissioner will be willing to pay, the price your competitors are likely to charge and the state of the market.

There are three approaches to pricing:

- a) At cost or slightly more than the cost: the organisation putting in a tender works out how much the service will cost to run and adds a bit extra to cover the possibility of costs rising and/or allowing it to earn a profit
- b) Under cost: an organisation is prepared to take on a contract knowing that it does not meet the full costs (Sometimes big organisations do this in order to get into a new area of work or even 'drive out the competition'.)
- c) The market sets the price: commissioners will say how much they expect to pay or in some sectors there is a 'going rate' (e.g. domestic violence sector – see SITRA website: www.sitra.org.uk)

Whatever approach we take, you must know our costs in order to make a judgement about prices or decide whether to bid. It is also very important that our Board approves every aspect of our tender, because when we put in a tender, as in signing the contract – you can't go back on it!

22) How tenders are assessed

Commissioners will have a process for evaluating the tenders they receive. Although there is no set process, this involves scoring the tenders against a set of criteria (decided in advance) and giving the contract to the organisation that has the highest score. The criteria will usually include cost, previous experience of delivering a similar service, the quality of the service and its outcomes.

If the public body is complying with European Union procurement rules, the contract can be given to the cheapest tender or to the 'Most Economically Advantageous Tender' (known as MEAT). This involves criteria combining quality with the cost of the service.

Some criteria will be given greater 'weighting' (or importance) than others: the weighting of price against quality criteria will be very important. For example for some tenders price will have a 30% weighting and quality 70%, other tenders will have a 70% price weighting and quality 30%. It is essential to find out about this before you put in a tender, because it might influence your decision to bid and/or it will help you to write your tender, putting more emphasis on the higher scoring criteria. It's important to understand the evaluation criteria and scoring system – sometimes it can be all about points!

23) Presentations and interviews

Once all the tenders have been sent in, the commissioners may invite a shortlist of organisations to take part in an interview where questions will be asked about their tender. This might involve giving a presentation to the interview panel.

Details of the interview should be outlined in a letter; if not, ring and find out what is expected. The interview will be a scored process (like the tender) – so it is important to find out about the scoring system before the interview.

It's very important to ensure everyone is well prepared for the interview and everyone answers questions. If only the senior person answers questions this suggests lack of confidence in the staff and/or lack of real experience of the service.

If doing a presentation, use the slides for photos and a few words – it's better to talk, get the panel members to concentrate on the speaker and believe in you and our organisation.

Aim for 3-5 key points about your tender that the panel will remember. Focus on your strengths, what you can do that is different from other organisations and back up what you say with evidence of actual experience.

Aim to engage in conversation with members of the panel – don't talk too much and allow time for questions and discussion.

24) What happens next?

If we are not successful, we must get feedback as this will help you with your next tender. If the commissioner follows a full procurement process, it should be possible to see the final scores – this will give you useful information about your strengths and weaknesses in relation to your competitors.

If successful, we will be given a grant, a 'Service Level Agreement' or a contract. This will be based on the service and outcomes you outlined in your tender. At this point, there is usually very little room for negotiation and it is difficult or impossible to pull out. This is why it is very important to put in a realistic tender and be sure that we are happy with the terms and conditions of the contract before you bid for it. (The tender pack will usually include a model contract or agreement). See 'Things to consider' section below.

25) What is the difference between a grant, 'service level agreement' and a contract?

A commissioning process can result in various types of formal agreements. The difference between grant agreements and contracts is becoming increasingly blurred. This can be quite confusing for voluntary and community organisations, but it is important to be aware of some of the main differences. Some of the main features of a grant are:

- Funding is given to an organisation in order to enable them to provide a service to their beneficiaries/service users
- An organisation can give a grant back to the funder
- If an organisation does not provide the service it received funding for, the funder can ask for all or part of the grant to be returned but the organisation does not have to pay any additional compensation to the funder
- No VAT is payable

Some of the main features of a contract are:

- An organisation provides a service (or goods) to a PSO in return for payment (i.e. the PSO is buying a service from the organisation)

- A contract is legally binding for both the organisation providing the service and the PSO buying the service
- If an organisation fails to deliver the services (as outlined in the contract) the PSO can demand compensation for any financial losses it suffers due to the service not being delivered
- An organisation may have to charge VAT

A 'service level agreement' (SLA) outlines what is required in a service (usually including targets and standards of delivery) and the basis for payment. There is a lot of confusion about service level agreements; they can be linked to a grant or be more like a contract. It is very important to understand any agreement we enter into – before signing.

26) Trading issues

If Brixham Future CIC delivers a service as part of a contract, this will be considered to be 'trading'. Before tendering to deliver the service, it is important to consider the legal implications of this. Issues to consider:

- Does the service you are tendering for fit with our main purpose?
- Do we need to pay or charge VAT? It is a good idea to get advice about this.

It is very important to ensure that any trading you do meets the requirements of Charity Law; if you break the law, our Board could be liable to pay taxes or to meet the cost of any financial losses that you suffer. Please see Charity Commission guidance CC35 Charities and Trading and CC47 Charities and Contracts available at www.charity-commission.gov.uk

27) Tendering as part of a partnership or consortium

One option for smaller organisations that want to gain access to government funds available through commissioning and procurement is to get involved in a partnership or consortium. Another option is to be sub-contracted by a bigger organisation.

These options may be more realistic for smaller organisations that are not ready or able to take on a contract themselves. Also, many commissioners want to reduce the number of service providers they have to deal with (and tenders they have to assess and contracts they have to manage), so they are encouraging consortium tenders where they can deal with one lead partner.

Many people think of partnership working as working together with other organisations in an informal way. In order to tender to deliver a service with one or more other organisations, a formal partnership or consortium is necessary (including a formal partnership/consortium agreement).

A consortium is a type of formal partnership between several organisations. Commissioners use the word 'consortium'. Various models are possible:

- a)** Two or more organisations of different sizes form a consortium and tender for contracts together; one organisation (not necessarily the largest one) will take on the lead contractor role – this tends to involve more of a partnership of equals. They deliver the service together.
- b)** One large organisation tenders for a contract, then sub-contracts to several small organisations who deliver different parts of the service.

c) A group of organisations sets up a new organisation in order to tender for contracts.

Partnerships and consortia take time to develop and success depends on building good relationships between partners; it is important to start the process well before deciding to tender for a contract.

For more information about developing partnerships and consortia:

- WRC's **Guide to Partnerships** BASSAC website (Collaboration Project) www.bassac.org.uk

| WORDS | DEFINITION |
|-----------------------------------|---|
| added value | The extra benefit you can offer to a service specification. |
| bid | A proposal outlining an organisation's desire, capacity and plan for delivering a service as required by a service specification. |
| collaboration | Organisations working together (in the widest sense). |
| commissioning | The process of identifying needs, designing and planning services to meet those needs, securing the services and monitoring and evaluating them. |
| consortium | A formal partnership of organisations working together usually in order to tender for contracts. |
| contract | A legally binding agreement to provide goods or services in exchange for payment. |
| Framework agreement | An arrangement where a PSO selects a shortlist and sets the general terms and costs for a period usually 3-4 years). The PSO will then invite the shortlist to tender as and when required. |
| Full cost recovery | Covering all the costs of providing a service, including indirect costs (or overheads). |
| Intelligent commissioning | A commissioning process that follows good practice. |
| Invitation to tender (ITT) | A formal letter nviting other organisations to tender for a particular service. This is the second stage of a tendering process. |
| impact | The longer-term change and difference that happens as a result of an organisation's activities. |
| MEAT | "Most Economically Advantageous Tender" – criteria for evaluating tenders. |
| Method statement | A written proposal describing how we will deliver a service. |

| | |
|--|---|
| Output | The services, activities and products that you provide. |
| Outcome | All the changes, benefits, learning or other effects that happen . |
| partnership | A co-operative relationship that agree to achieve shared goals. |
| Pre-qualification questionnaire (PQQ) | A form used to shortlist. The questionnaire enables a public service organisation to assess other organisations capacity in the 1 st stage in a tendering process. |
| Preferred provider (or supplier) list | A shortlist selected for a time (usually 3-4 years) and will invite to tender for specific pieces of work as and when required. |
| Procurement | Process of buying of goods & services from an external agency. |
| Provider | An organisation providing a service. |
| Public service organisation (PSO) | A public organisation that provides and/or manages government and public services. |
| Quality assurance | A process (in an organisation) for agreeing, managing, monitoring and improving quality standards. |
| Service level agreement | An agreement which sets out what is required for a specific service in return for a grant or other funding. |
| Service specification | A description of requirements for delivering a particular service. |
| Sub-contractor | A person or organisation that has a contract to fulfil all or part of another organisation's contract obligations. |
| tender | A written proposal outlining an organisation's desire, capacity and plan for delivering as required by a service specification. |
| TUPE | 'Transfer of Undertakings (Protection of Employment)' regulations is the legal protection given to transferred employees |

Resources:

Association of Chief Executives of Voluntary Organisations (ACEVO): Provides advice, training and resources re: commissioning. www.acevo.org.uk

Big Lottery: See 'Explaining the difference your project makes' for more information about outcomes. www.biglotteryfund.org.uk

British Association of Settlements and Social Action Centres (BASSAC):

For more information about partnerships or collaboration, see their 'collaboration for commissioning' resources and guidance. www.bassac.org.uk

CASH-ON-LINE: For information about budgeting, 'unit costs' and financial management generally. <http://www.cash-online.org.uk>

National Association of Voluntary and Community Action (NAVCA): See their commissioning and

procurement mini-site for various resources and guidance. www.navca.org.uk

National Council for Voluntary Organisations (NCVO): See Sustainable Funding Project for guide to procurement and contracting. www.ncvo.org.uk