

ANNEX B

Notes on the Grants briefings carried out with External VCFS organisations

Between July 2012 and September 2013 a number of discussions have been held with 11 key VCFS organisations on grants and the grants process. These discussions have covered the following areas:

- The difference between a Grant and a Contract,
- The benefits of Grants and the benefits of Contracts
- Decision process for Grant bidding or Contract Tender process
- Non payment if not performing,
- Levels of process, what values and what is required,
- Requirements for bidding,
- Monitoring, how to ensure it is appropriate and not onerous,
- Negotiations of variable value
- Timescales
- Advertising the opportunities

The draft documents were shared with the group and specific feedback has been built into subsequent drafts or other mitigating actions have been considered, including training and workshops once the new process is agreed.

The response to the last draft was positive from all but one organisation.

A summary of the positive comments:

- Positive about the process under £10k being good for small Orgs
- Felt some of the wording was a bit strong for example the threat of disciplinary action if officers did not follow the process
- Wanted clarity that a grant can cover the full cost of the project or service,
- Concerns about restricting the number of grants per organisation per year could hinder commissioners, it should make things better for small organisation and still has flexibility if required
- Felt the restriction on the number of grants per organisation was a reasonable number and liked the flexibility to agree exceptions
- Not sure how unused funds would be recovered and felt it needed a bit of thought as needed to be consistent
- Wanted timescales to ensure that public holidays do not shorten the time to submit
- specific issues about conflict of interest and wanted the definition to be much more restrictive
- Fundamentally feel you are there
- Helpful for internal staff but would need a separate external version
- Pleased that we highlight social value and social capital
- Wants good guidance to show that funding of between £10k and £100k could be over more than 1 year

One Organisation had the following negative comments:

- Critical of any re-framing that conflates grants and contracts into a hybrid model.
- The starting point for a grants process has to be – what are trying to achieve here?
- At first glance through this, the language still betrays the intent, and the rot sets in quite early on:
 - 1.1 Refers to the PRINCIPLE of sustainability , supporting social capital etc BUT this is NOT unpacked subsequently in the way that you unpack other principles of Transparency and VfM, thereby indicating that instinctively it is these, and not social capital, that are privileged.
 - 1.4.1 “We advertise all grant opportunities over £10K” in other words you are immediately turning it into a bidding process on a contractual model, rather than a process **of grants being awarded by the commissioner.**

3.2.3 2nd para starting “The principles...AGREED...but this takes me to the brokered process I described when we met, and not a bidding process through the portal which is a contract in all but name.

3.2.9 Summary table is all about the Portal, **Bidding** process which sounds like a contract

3.4 Standard grants process – the process of bidding for a grant and then the commissioner re- negotiating it on price/deliverables is really squeezing suppliers, and OK if you want lowest price, arguably delivering VfM, but it won't deliver collaboration, partnership, innovation or fairness, and is a corruption of two processes.

- I have looked in vain for the mention of grants being awarded (not bid for), or brokered processes, and failing these, contracts, and NOT hybrids.

Other engagement

We have also discussed direct with members of the Joint Commissioning Strategy Group, includes Reps from D&Bs and PCT, our plans and the initial document.