

Overview and Scrutiny Committee

Wednesday, 23rd
September, 2009

MINUTES

Present:

Councillor Phil Mould (Chair), Councillor David Smith (Vice-Chair) and Councillors K Banks, G Chance, R King, W Norton, J Pearce and D Taylor

Also Present:

Councillors P Anderson and B Clayton

Officers:

J Staniland, A Heighway, T Kristunas and S Mullins

Committee Services Officer:

J Bayley and H Saunders

Relevant extract from minutes of the Overview and Scrutiny Committee meeting that took place 23rd September 2009.

65. **POLICY FOR THE AWARD OF CONTRACTS TO VOLUNTARY AND COMMUNITY SECTOR ORGANISATIONS - PRE-SCRUTINY**

Officers informed the Committee that this item had been tabled to enable the Committee to discuss the proposed additional policy for awarding contracts to the voluntary and community sector. Officers explained that this policy had been proposed by Councillor Anderson to address the 'Shopping' element of the Shopping, Investing and Giving system for Council funding of the Voluntary and Community Sector. This system had been proposed by the Third Sector Task and Finish Group and approved by full Council earlier in the year.

It was suggested that many Voluntary and Community Sector organisations would not have the same level of skills as the private sector to effectively engage in tendering processes and many organisations might need to undergo training to acquire these skills. Furthermore, the type of services that could be offered by the sector

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differed from that of privately run companies and as such should be dealt with differently by the Council. A decision had therefore been taken to postpone implementation of the Shopping element of the funding framework until these areas had been addressed.

Officers believed that Councillor Anderson's additional policy was not required as the points he had made were already covered in the Council's procurement procedures. They also raised concerns that if implemented Councillor Anderson's policy could be anti-competitive. As such, Officers suggested that the Policy for the Funding of Voluntary and Community Sector Organisations, which had been produced in accordance with the recommendations made by the Third Sector Task and Finish Group, should remain unchanged.

Councillor Anderson explained that the Council historically was poor at monitoring grants they awarded to Voluntary and Community Sector organisations and therefore it had been difficult to be certain about how funding had been spent. He felt that the most effective method for overcoming this issue was to enter into contractual arrangements with these organisations when providing them with funding.

Officers reminded the Committee that there was a subtle difference between awarding a grant and the procurement of a service. Awarding grants enabled the Council to provide money to an organisation so that it could undertake work that would correspond with the aims of the Council. Procurement enabled the Council to contract organisations to provide a service or a product in return for payment.

Having considered the information provided by Officers and Councillor Anderson the Committee agreed that they did not wish to endorse Councillor Anderson's proposed policy.

RECOMMENDED that

- 1) **the proposed policy for the Award of Contracts to Voluntary and Community Sector Organisations not be approved; and**
- 2) **the Policy for the Funding of Voluntary and Community Sector Organisations, which was approved by full Council on 22nd June 2009, remain unchanged.**

RESOLVED that

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the report be noted.