



**COUNCIL EXECUTIVE**

**VOLUNTARY ORGANISATIONS BEST VALUE REVIEW 2012 CYCLE**

**REPORT BY HEAD OF AREA SERVICES**

**A. PURPOSE OF REPORT**

The purpose of this report is to ask the Council Executive to endorse a number of recommendations arising from the 2012 cycle Best Value Review (BVR) of services provided by the voluntary and not-for-profit sector.

**B. RECOMMENDATION**

It is recommended that Council Executive:

1. Notes the outcomes from the 2012 cycle for the Best Value Review of services provided by the voluntary and not-for-profit sector.
2. Agrees the following recommendations:
  - a) **Blackburn Family Centre**. Score 72 and recommended for a 1-year funding agreement with an action plan for improvement to be developed by the organisation and agreed with the Link Officer;
  - b) **Breich Valley Information Service (BVIS)**. Score 47 and recommendation is for a six months award be made to BVIS to enable further work to be carried out with BVIS and in relation to the delivery of wider advice services locally;
  - c) **Daisy Drop In**. Score 75 and recommended for 1-year funding with an action plan for improvement to be developed by the organisation and agreed with the Link Officer;
  - d) **The Knightsridge Adventure Project**. Score 73 and recommended for 1-year funding agreement with an action plan for improvement to be developed by the organisation and agreed with the Link Officer.
3. Confirms that the BVR process is now discontinued and replaced with an agreed system based on voluntary organisations achieving externally accredited quality standards as previously agreed by Council Executive.

**C. SUMMARY OF IMPLICATIONS**

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| <b>I Council Values</b> | Focusing on our customers' needs.<br>Being honest, open and accountable.<br>Providing equality of opportunities.<br>Making best use of our resources.<br>Working in partnership. |
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<b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b>	The duty of Best Value is set out in the Local Government in Scotland Act 2003. West Lothian Compact.
<b>III Implications for Scheme of Delegations to Officers</b>	None.
<b>IV Impact on performance and performance Indicators</b>	None.
<b>V Relevance to Single Outcome Agreement</b>	Contributes to SOA Outcome 11 : We have strong, resilient and supportive communities where people take responsibility for their actions and how they affect others
<b>VI Resources - (Financial, Staffing and Property)</b>	None
<b>VII Consideration at PDSP</b>	The Voluntary Organisations Policy Development and Scrutiny Panel considered this report on 13 December 2013 and recommended it to Council Executive for approval.  The Panel has also discussed and agreed changes from the current BVR to a system of accepting externally accredited quality standards such as PQASSO.
<b>VIII Other consultations</b>	On 25 June 2012 Council Executive agreed recommendations to replace the best value review process with a new approach linked to quality standards.

## **D. TERMS OF REPORT**

### **D.1 Introduction**

West Lothian Council currently operates a Best Value Review (BVR) process whereby voluntary organisations in receipt of funding from the Council submit a portfolio of evidence to a panel of external assessors who score the portfolio against 10 criteria.

Organisations who achieve a score of 80 and above are recommended for 3-year funding agreement, although this is an in-principle agreement to fund the organisation subject to performance and availability of finance rather than a guarantee of future funding.

The BVR process has itself been reviewed in the last two years and Council Executive has agreed that it should be replaced with a more flexible system linked to externally accredited quality standards. On this basis no new BVR submissions were invited for 2012, but four organisations were required to resubmit portfolios.

These were:-

- Blackburn Family Centre
- Breich Valley Information Service
- Daisy Drop In
- Knightsridge Adventure Project

Their portfolios were reviewed and scored on 19 November and the results of this are given below.

## **D.2 Best Value Review Principles**

The principles of the Best Value Review (BVR) process were determined following consultation with the voluntary sector. In broad terms, this involves:

- The completion by organisations of a folder of evidence that provides information on a number of key areas relevant to the delivery of their service and the management of their performance;
- Self-assessment of organisations' performance against a set of agreed criteria. These criteria consider organisations' contribution to meeting council or community planning priorities, the extent to which their services are customer-focused, their overall efficiency and effectiveness and the degree to which they provide 'added value';
- The completion of a Link Officer's report setting out conclusions and recommendations on an organisation's performance in the BVR;
- An independent assessment of the individual reviews and the overall BVR process. The assessment team comprises representatives of the voluntary and business sectors;
- The external assessment team's scoring of the organisations, being taken as the final score that determined the outcome of the BVR.

The scoring, based on 10 criteria, generates the following recommendations :-

- Score 80 and above recommended for 3-year funding agreement
- Score 50 to 79 recommended for 1 year funding with action plan
- Score under 50 recommended for 6 months funding with action plan.

## **D.3 Context**

A key aim of Council, consistent with the requirements of the Scottish Government, is to ensure a focus on continuous improvement in the authority and across its partner relationships and to deliver Best Value services for the citizens and communities of West Lothian.

The Local Government in Scotland Act 2003 and the guidance that accompanied it established a statutory framework for Best Value and provided information for local authorities on the requirements to fulfil this legislative duty.

Rather than introduce a new or significant challenge to the Council's working relationship with the voluntary and not-for-profit sector, the Act re-affirms Council's commitment to work with community and voluntary organisations to ensure high quality, customer-focused services in line with agreed local priorities.

Since an introductory seminar in 1998 and through previous Best Value Reviews, business between council and the voluntary sector has been conducted increasingly on agreed Best Value principles.

#### **D.4 Review of Best Value**

Given recent experiences of trying to increase the throughput of organisations and increase the number of external assessors, it was considered timely in 2011 formally to review whether the present BVR system was still appropriate. The review examined other options such as external quality marks, self-assessment or a combination of these options with the present BVR system.

That review included consultation with the sector, mainly through the Compact working group. A report proposing that no further Best Value Reviews were undertaken, and steps be taken to encourage voluntary and community organisations to seek externally accredited quality standards appropriate to their size and the services they deliver was considered by the PDSP in June 2012, and these proposals were subsequently agreed by Council Executive.

Council Executive agreed the following on 25 June 2012:-

- 1) To recognise quality standards that organisations already hold, assuming the standards meet Council's requirements in respect of Governance, Financial Sustainability and User-centred Focus. Where Council's requirements on Governance, Financial Sustainability and User-centred Focus are not met by quality standards already held, then the PQASSO quality standards for these aspects would require to be achieved at a level appropriate to the size and complexity of the organisation.
- 2) That where an organisation holds no quality standard then the organisation will be required to achieve the PQASSO quality standard at a level appropriate to the size and complexity of the organisation.
- 3) To utilise Council's funding contribution of £20k to support the attainment of quality standards by organisations the Council invests in. Where appropriate, this funding could be used to provide such voluntary organisations, where appropriate, with the PQASSO Work Pack and CD Rom. It could also be used to support such organisations that are ready to seek external accreditation through the PQASSO Quality Mark. Detailed discussion on the use of the total funding pot of £40k will take place at the West Lothian Compact Working Group.
- 4) That Council, in partnership with the VSGWL, will support the implementation of PQASSO in organisations through the VSGWL's CES-licensed PQASSO mentors.
- 5) That where appropriate, organisations achieve PQASSO level 1 as a minimum by no later than 31 December 2013.

The Council, through Link Officers, and the Voluntary Sector Gateway West

Lothian through their networks, are now actively promoting and supporting PQASSO accreditation for voluntary and community organisations.

## D.5 Outcomes

The four portfolios required to re-submit were scored on 19 November by the external assessor and the outcomes were as below:-

- a) **Blackburn Family Centre**. Score 72 and recommended for a 1-year funding agreement with an action plan for improvement to be developed by the organisation and agreed with the Link Officer;
- b) **Breich Valley Information Service. Breich Valley Information Service (BVIS)**. Score 47 and recommendation is for a six months award be made to BVIS to enable further work to be carried out with BVIS and in relation to the delivery of wider advice services locally;
- c) **Daisy Drop In**. Score 75 and recommended for 1-year funding with an action plan for improvement to be developed by the organisation and agreed with the Link Officer; and
- d) **The Knightsridge Adventure Project**. Score 73 and recommended for 1-year funding agreement with an action plan for improvement to be developed by the organisation and agreed with the Link Officer.

The Assessors "summary of assessments" on the portfolios is given in Appendix 1. Organisations will be offered a feedback meeting with the Assessor.

## D.6 Voluntary Organisations Policy Development & Scrutiny Panel

The Voluntary Organisation PDSP considered this report on 13 December 2012 endorsed the recommendations set out in section B above.

## E. CONCLUSION

The Best Value Review system has been a positive influence in supporting voluntary organisations to develop their internal processes, procedures and systems with a resulting improvement in governance and service delivery. However throughput through the BVR system is low, and is not capable of accrediting the required number of organisations in a reasonable timescale.

Council Executive has already approved the replacement of BVR and it is recommended that this is the final BVR cycle, with no re-submissions being requested at this time, and the focus now moving to encouraging take up of PQASSO as a recognised externally accredited quality standard appropriate to the voluntary sector.

The organisations in this cycle were all re-submitting and three of them scored between 70 and 80 which results in a recommendation for one year funding with an action plan. We will continue to develop Funding Agreements with these organisations based on one year funding with the option of extending this annually.

The fourth organisation, Breich Valley Information Services, previously scored 28 which put them on a six-monthly funding cycle. Their score in this cycle was 47 and the recommendation is for a six months award be made to BVIS to enable further

work to be carried out with BVIS and in relation to the delivery of wider advice services locally.

**F. BACKGROUND REFERENCES**

Local Government in Scotland Act 2003.

Appendices/Attachments: Appendix 1 : External Assessors Summary of Assessment.

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Date: 15 January 2013

## **Appendix 1 : External Assessors Summary of Assessment.**

### **Blackburn Family Centre**

Evidence to show that in spite of previous funding difficulties core provision has not been adversely affected. Positive business plan outlines way forward and processes in place to monitor effective implementation and take actions if necessary. Some uncertainty around proposed partnership premises but overall organisation is going in the right direction. Would benefit from implementing a quality management process eg PQASSO. A sub-committee could investigate this and report back. Having a recognised quality accreditation is fast becoming a “must have” for funders and highlights best practice.

### **Breich Valley Information Service**

The external assessor held an informal review with representatives of the group in August prior to their formal submission in November 2012. From this it was clear that while the organisation had recognised and acknowledged the need for radical change, only minor changes had been completed and there was no indication that a “Change Plan” had or was being developed.

The assessor noted that management accounts for the year ended March 2012 highlighted an excess of expenditure over income resulting in a subsequent reduction in reserves. A similar result for the year ending 31 March 2013 would see reserves totally depleted. In light of this, and to give the organisation the best chance of securing its medium term survival, the assessor advised that the group prioritises use of current resources to undertake a stakeholders consultation, determine the current needs of the community they serve, identify what other service providers are offering in the community and in light of this decide the best way forward for the organisation.

### **Daisy Drop In**

No Business Plan provided as it is currently being developed. Issues with staffing have caused some uncertainty but a continuous service has been provided. Organisation has successfully moved to new premises and gained new committee members. Good to see partnership agreement form letter signed by both parties and acknowledgement of where improvements could be made based on evaluation using Council Health Check. No mention of implementing quality programme eg PQSASSO, and no improvement on benchmarking – perhaps a committee sub-group could undertake either of these tasks. Business Plan could include a volunteering strategy – why use volunteers, how many, when, what they do. Are there opportunities for work experience placements?

### **Knightsridge Adventure Project**

Evidence that some actions have been taken in respect of 2011 report, specifically in relation to preparing a Business Plan. However the Business Plan is weak on specifics as to how the organisation is going to provide a holistic, joined up service for and with young people from the area. Evidence of lots of activities but mainly of a reactive manner eg Fox Friday responding to Council wide initiatives. Organisation well regarded by users and partners but needs to formally evidence this – volunteer programme, volunteer contracts (signed) and volunteer appraisals. Partnership agreements formalised that spell out benefits to both individuals and the organisation. Need for clear funding strategy and perhaps a more focussed approach specifically for long term sustainability – could concentrate on opportunities for youth social enterprise that would create employment and generate income.