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## Networks and Consortia in the Voluntary and Community Sector

### Key points

- Crucial aspects of LAA delivery typically require a major contribution from the voluntary and community sector (VCS), playing to its diverse strengths in working with families, individuals and communities. The new AWM Connections to Opportunities programme stresses delivery via the wider Third Sector on the grounds of its role in working with people furthest from the labour market.
- The rhetoric of national policy is often highly supportive of this role, but the ways procurement policies and performance management regimes operate can work against these aspirations. Third Sector policies may favour larger national organisations and work against the interests of smaller, more local organisations.
- Weaknesses in engaging local people and the third sector have been identified by the National Audit Office and the Audit Commission as a critical factors underlying why policy delivery chains are less effective than they could be.
- More attention needs to be given to fostering effective networks and consortia within the third sector, to capitalise on what the sector has to offer locally and help the sector play a full role in delivering public services. This is all the more necessary where public procurement has moved to sub-regional and regional scales, outwith the direct influence of local partners
- Potential gains from networks and consortia include:
  - for the VCS, access to contracts and funding which might otherwise be unattainable, plus shared learning and capacity building
  - for LSP partner agencies, a vehicle for communication and consultation with ‘specialist’ parts of the sector and for engaging the communities they serve, plus scope to mobilise resources in pursuit of outcomes that might otherwise be difficult to achieve
- Developing networks and consortia involve costs – which individual organisations can find difficult to bear financially or in terms of staff time. Organisations prepared to lead in developing networks and consortia need to be sure that others will contribute.
- There are implications for how LSP partners commission services (including the content of service specifications), and seek to influence commissioning at sub-regional or regional levels, to ensure that there is scope to harness the skills and experience of local VCOs in ways that support joined up local service delivery. There may be a case for specific funding towards core costs of developing delivery consortia or maintaining networks.

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## Introduction

From an LSP point of view, networks and consortia may be seen as one part of their policy ‘delivery chains’<sup>1</sup>, those combinations of organisations, including central and local government, agencies, and bodies from the private and third sectors, that need to work together to achieve improved outcomes in relation to their shared priorities.

The NAO/ Audit Commission analysis draws out distinctions between *vertical* and *horizontal* relationships, with on the one hand, *linear, hierarchical arrangements* (such as between tiers of government, or between government bodies as commissioners/ purchasers and their contractors), and on the other, *relationships between partners at the same level*, which have more the characteristics of *networks*, where organisations work together in areas of mutual concern/ interest. In both contexts, the NAO/AC was critical of common weaknesses in delivery chains relating to engagement of service users and local communities, and in the involvement of the third sector as part of the chain.

Within the voluntary and community sector, there exist *consortia* formed to strengthen the role of the sector in public sector delivery, to:

- work together to influence public agencies in a local or sub-regional context (where the consortia are more like a *network*)
- where organisations come together to compete for contracts or as sub-contractor alliances - acting as partners within a *supply chain*.

Given changes in the procurement policies of central government and public agencies, and more local developments in commissioning, consortia arrangements have become in some areas and in some fields such as adult learning and skills, a *necessary* development for voluntary and community organisations wishing to continue and further develop their role in public service delivery. There are growing expectations in other fields, eg, in health where the NHS Next Stage Review ‘What it means for the Third Sector’ document states that, “*the third sector is encouraged to develop local partnerships and then proactively contact the PCT*”.<sup>2</sup>

## Networks and consortia in the voluntary and community sector

Within the region there are many networks within the voluntary and community sector (eg, policy networks support by Regional Action West Midlands – RAWM), and others which bring together public agencies, private and third sector providers to focus on areas of common interest.

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<sup>1</sup> National Audit Office and Audit Commission (2006) Delivering Efficiently - Strengthening the links in public service delivery chains [www.nao.org.uk/publications/0506/delivering\\_efficiently-strengt.aspx](http://www.nao.org.uk/publications/0506/delivering_efficiently-strengt.aspx)

<sup>2</sup> [www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_091821](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_091821)

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### **Programme focus**

In some cases, the networks have been *formed around a particular programme*, eg, provider forums for Supporting People, which bring together organisations offering housing-related support services that help vulnerable people to live independently with the respective local authority. Such services can be diverse and may include, installation of household alarms; access to training and employment; help with getting benefits and filling in forms; getting to know a new area; warden visits; and understanding personal responsibilities in independent living. Forums may be mainly concerned with information and knowledge sharing, or function with more of a drive towards quality improvement and increased impact. In the case of the Stoke-on-Trent Providers Forum, eg, current priorities include support for the introduction of the new Quality Assurance Framework and training in risk assessment and equality and diversity. Other functions of the Forum include ensuring that there is provider input to relevant planning and commissioning groups and sharing good practice in service user involvement.

### **Policy opportunities**

In other cases, action has been taken in *response to a particular opportunity* - eg, in Walsall, where the Worklessness Steering Group brought together a large number of voluntary and community organisations to explore how they might contribute to a bid for DWP Deprived Areas Fund. Over 40 organisations showed initial interest and five became part of a consortium led by Steps to Work, the Walsall-based third sector work-based learning and employment provider. These provide the base for outreach workers in target wards, who continue to work with the wider network of VCOs to ensure wider awareness of services available and promote the flow of referrals.

### **Stimulus within the sector**

Thirdly, the *initiative may come from the third sector itself*, such as in the case of Voluntary Sector Learning and Skills Consortia, of which there are around 40 nationally. The earliest had their origins in the early 2000s in a desire to influence planning and decision-making by local Learning and Skills Councils, seeking to maximise the opportunities for funding for the communities they serve and to help meet their own workforce development needs. To varying degrees they have developed as providers as well as networks, with various constellations of network members bidding and collaborating for LSC contracts. Contracts may be held by the consortium or by a lead organisation – in both cases there needs to be contractual relationships amongst the parties. In whatever model, there is likely to be a minimum level of turnover required to support core functions of managing an and co-ordinating the consortium, assuring quality and bidding for new contracts. Current challenges for learning and skills consortia include developing relationships with DWP contractors on Pathways to Work and flexible New Deal provision, where their only route to obtaining a share of the work is to act as a sub-contracting organisation. As such, these groupings have characteristics of both networks (for policy influence and knowledge sharing) *and* delivery consortia.

By their very nature, delivery consortia can be very demanding to make work, given the additional costs of developing and managing partnerships under procurement regimes that tend to be ever more demanding on cost and quality. Several have struggled, while others such as Enable in

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Nottinghamshire<sup>3</sup> have succeeded in developing extensive provision (eg, on Skills for Life, and management development in the voluntary sector) under contract to the LSC, and in striking partnerships with DWP contractors<sup>4</sup>.

In developing the Shropshire Training Provider Network, member VCOs have adopted a different approach, seeking to enable the involvement of members in bids led by other organisations, not only aimed at LSC opportunities but others besides (eg, ESF, family learning pilot, CompeteFor – London 2012). The role of the Network is to spread information and share learning, rather than develop as a legal entity that can manage contracts. It seeks to:

- provide a mechanism for accessing mainstream and other funding
- equip members and the wider voluntary and community sector with skills and knowledge to provide high quality, learner-centred training (eg, under Preparing to Teach in the Lifelong Learning Sector - PTLLS)
- act as a gateway for other bodies seeking partnerships, joint bidding or sub-contracting arrangements (eg, in helping to organise the response within the county to the Connections to Opportunities programme)

Such opportunities may include collaboration with colleges or larger welfare-to-work providers.

The history of such networks and consortia is one of a series of uphill battles, where voluntary and community organisations strive to identify funding opportunities and organise themselves to deliver, in a world where agency procurement regimes often do not match the supportive rhetoric of avowed policies towards the sector. A consequence is that government bodies can lose potential contributions from the VCS within their 'delivery chains' which fail to recognise fully the important contribution that VCOs can make in addressing needs in the communities they serve. Often it is voluntary bodies who play crucial roles in helping individuals and families move on, in ways which can bring together a range of services appropriate to stages in family life cycles, such as work with young parents and or promoting physical activities for older people. Such contributions may not fully be recognised by public funding streams which operate along specific tracks linked to departments or targets, with the VCOs concerned constantly having to seek short term funding from myriad sources.

To its credit, the LSC has been one organisation that has been prepared to find ways of local funding the development stages of networks and consortia, but other agencies such as Jobcentre Plus/ DWP and parts of local authorities have tended not to see it as a priority. Attitudes can be blind to the consequences and fail to recognise the need for incentives 'within the system' to support networking and collaboration. And where there is an attempt to develop supportive procurement-related policies,

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<sup>3</sup> [www.idea.gov.uk/idk/laa/home.do](http://www.idea.gov.uk/idk/laa/home.do) (and search for 'Enable')

<sup>4</sup> For a guide to voluntary sector learning consortia, see [www.niace.org.uk/Research/Volsector/vol-sector-consortia.pdf](http://www.niace.org.uk/Research/Volsector/vol-sector-consortia.pdf) SITRA have also published a Provider's Guide to Procurement aimed at providers of housing, care and support services, which includes content on working in consortia and other forms of partnership [www.sitra.org/fileadmin/sitra\\_user/TEMP/A\\_Provider\\_s\\_Guide\\_to\\_Procurement\\_for\\_website.pdf](http://www.sitra.org/fileadmin/sitra_user/TEMP/A_Provider_s_Guide_to_Procurement_for_website.pdf)

as in the case of DWP's Third Sector Task Force for Welfare to Work services<sup>5</sup>, the interests of national third sector organisations can dominate, leaving little of consequence in recommendations for smaller, local organisations.

### **Building delivery capacity**

There is a range of initiatives across the region which seek to build delivery capacity. These include:

- Routes to Opportunity programme<sup>6</sup> (R2O), run by *brap* and funded by AWM, which has aimed to improve the ability of BME third sector organisations to access and successfully deliver public sector contracts. Perforce, there has been a great deal of interest in collaborative bidding, including for contracts to serve rural parts of the region
- *brap* now support The Collective, the new regional network for BME third sector organisations, which has as a major concern the role of the sector in public service delivery, and within this, collaborative working
- helping to build delivery capacity runs through several Changeup business plans across the region (eg, Staffordshire with a priority to develop 'contract readiness' and a support programme in Telford & Wrekin)

### **Implications for LAA planning and delivery**

Experience in the region in providing thematic support to LSPs on delivery planning and commissioning suggests needs – varying by locality and theme – for helping to ensure that there are effective networks within the VCS/Third Sector with whom to engage on *service delivery matters*. These can provide a great deal of value for their members and fulfil an important role in improving communication between LSPs/ theme partnerships and public agencies on the one hand, and the sector on the other.

The networks must be seen as worth doing within the sector itself rather than imposed on the sector by others. Whether or not, delivery consortia form must depend on will within the sector, though there are ways in which local partners can assist their development, including through funding to help cover development costs.

It may, however, be in the interests of clients or customers to bring voluntary and community organisations together to consider ways in which they may network and collaborate to improve services the overall service offer, ensuring, eg, effective referrals and common service standards, and *perhaps* establishing scope for more formal collaboration through consortia. This may, for instance, be part of work to develop 'customer journeys' thinking being explored in different parts of the L2D programme, including support for Connections to Opportunities. In some situations the logic may lead to the promotion of service delivery networks *across* sectors, as in the case of the Recruitment

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<sup>5</sup> [www.fullcostrecovery.org.uk/uploads/files/DWP%20taskforce%20Final%20Report.pdf](http://www.fullcostrecovery.org.uk/uploads/files/DWP%20taskforce%20Final%20Report.pdf)

<sup>6</sup> [www.brap.org.uk/content/view/256/310/](http://www.brap.org.uk/content/view/256/310/)

Network in Coventry and Warwickshire<sup>7</sup>, which brings together public, private and third sector organisations which provide employment and skills services in the sub-region to present a common face to employers and jobseekers.

Potential gains for public agencies and LSPs from VCS networks and consortia include:

- a vehicle for communication and consultation with ‘specialist’ parts of the sector, and for engaging the communities they serve
- scope to mobilise resources that can bring added value in public service delivery, and achieve outcomes that might otherwise be difficult to achieve

For the sector itself, benefits can include:

- access to funding which might be unattainable without collaboration, enabling improved services to communities served and a contribution towards financial stability
- shared learning and capacity building.

Learning and Skills consortia have had added benefits of channelling resources for workforce development into the sector, and supporting quality and performance improvement within it.

Promoting collaboration within the third sector can also be expected to contribute to achievement of National Indicator 7, “a thriving environment for the third sector”. There may be particular needs to support proactive work to build capacity and collaborative arrangements in key fields where commissioning is being undertaken increasingly at the level of regions or large sub-regions, such as with DWP welfare-to-work programmes, and to ensure sufficient funding to oil the wheels of collaborative responses, in ensuring that third sector organisations are well-informed about upcoming opportunities and capable of responding effectively. CHECK FOR DUPLICATION Attention may also need to be given to commissioning specifications, in recognition of sector strengths, in particular sub-sectors (eg, local cultural activities) or exploiting the scope for ‘wrap around’ services which local VCOs may be best placed to provide and the role of VCOs in signposting individuals to mainstream provision.

## Resources

BASSAC Collaboration programme [www.bassac.org.uk/our-programmes/collaboration](http://www.bassac.org.uk/our-programmes/collaboration)

brap (2008) Two Sides of the Same coin: a guide to working with Black Asian and Ethnic Minority Third Sector Organisations [www.brap.org.uk/content/view/257/198/](http://www.brap.org.uk/content/view/257/198/)

DH (2009) NHS Next Stage Review: What it means for the Third Sector

[www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_091821](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_091821)

HACT (2008) Collaborate Resource Kit [www.hact.org.uk/article.asp?Pageld=42&ArticleId=33](http://www.hact.org.uk/article.asp?Pageld=42&ArticleId=33)

IDEA Partnership and Places Library: case study of Enable, Nottingham

[www.idea.gov.uk/idk/laa/home.do](http://www.idea.gov.uk/idk/laa/home.do) (and search for ‘Enable’)

National Audit Office and Audit Commission (2006) Delivering Efficiently - Strengthening the links in public service delivery chains [www.nao.org.uk/publications/0506/delivering\\_efficiently-strengt.aspx](http://www.nao.org.uk/publications/0506/delivering_efficiently-strengt.aspx)

NCVO Collaborative Working [www.ncvo-vol.org.uk/collaborativeworking/index.asp?id=2038](http://www.ncvo-vol.org.uk/collaborativeworking/index.asp?id=2038)

NIACE (2004) Local Voluntary Sector Learning Consortia [www.niace.org.uk/Research/Volsector/vol-sector-consortia.pdf](http://www.niace.org.uk/Research/Volsector/vol-sector-consortia.pdf)

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<sup>7</sup> [www.recruitmentnetwork.org.uk/](http://www.recruitmentnetwork.org.uk/)

+ NIACE documents on Adult Learning and the Third Sector [www.niace.org.uk/Research/Volsector/Default.htm](http://www.niace.org.uk/Research/Volsector/Default.htm)  
Norfolk Unites (2008) Consortia Survey and discussion paper, linked to planning for learning and skills consortium development in the County [www.norfolkunites.org.uk/library/](http://www.norfolkunites.org.uk/library/)  
Office of the Third Sector (2008) Working in a consortium: A guide for third sector organisations involved in public service delivery [www.cabinetoffice.gov.uk/media/107235/consortium%20guide%20final.pdf](http://www.cabinetoffice.gov.uk/media/107235/consortium%20guide%20final.pdf)  
SITRA (2008) A Provider's Guide to Procurement  
[www.sitra.org/fileadmin/sitra\\_user/TEMP/A\\_Provider\\_s\\_Guide\\_to\\_Procurement\\_for\\_website.pdf](http://www.sitra.org/fileadmin/sitra_user/TEMP/A_Provider_s_Guide_to_Procurement_for_website.pdf)