

Consultation Process

1. The Department is keen to secure your views on the proposed new approach to commissioning, awarding and disbursing funding to the Voluntary, Community and Social Enterprise sector. The consultation period will run for a 12 week period closing on 23 September 2016. Throughout the summer period the Department will engage with the sector to provide information on the proposals and encourage the sector and those with an interest to submit your views early.
2. The consultation document and supporting information will be provided via the Department's website and can also be found on NICVA and CO3's websites. The consultation document sets out a number of questions, and a proforma (Annex A) has been provided to aid the structure of responses. The Department would encourage you to submit your views in electronic format, but is content to receive views in a format that is preferred by you.
3. Should you require the consultation document in a different format, please contact the Department to organise this.
4. Contact Information:

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Annex A

Consultation Response to Department of Justice: VCSE Funding Model

Name of Organisation: Belfast City Council

	Consultation Question	Response
Q1	Do the policy aims behind the proposed funding system provide a robust approach to enabling the VCSE to deliver services which support and achieve key departmental objective?	<p>The funding system appears to have some elements that will work more than others, for example, the co-partnership working, measurement of service delivery and involvement from the VCSE at the early design stage will create more confidence in such a system. However the full cost recovery element of the system may deter smaller community & voluntary groups from applying for funding.</p> <p>The outcomes to be achieved should reflect regional and local level priorities recognising the Council's Community Planning function. Additionally Council's are responsible for supporting the SE sector: the outcome of this proposed change may result in the creation of new SE's and/or skills gaps in existing SE's.</p> <p>Timely engagement with Councils is therefore critical in order to ensure alignment to local outcomes and that adequate support is planned and available for the sector.</p>
Q2	Will the new funding system better enable the Department to prioritise and direct available funding to key areas to be delivered by the VCSE?	<p>The new funding system will directly link to the draft PfG and will have clear strategic objectives which will enable the VCSE to apply for and deliver services aligned to these. It will however rule out any organisations who are not delivering on these objectives.</p> <p>The commitment to ensure that levels of accountability are commensurate to the level of funding in line with the Code of Practice on reducing bureaucracy in funding is to be welcomed.</p> <p>Council welcomes the new focus on achieving impact instead of focussing on merely quantitative measures such as expenditure or number of new interventions etc. This is in line with the approach taken by Council in</p>

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		<p>developing the Belfast Agenda, the Community Plan for Belfast. However in order to maximise success, the Department should commit to providing further advice and guidance to the sector in developing appropriate project performance measures that reflect the desired population level impacts.</p> <p>If DOJ are clear about their priorities and the outcomes they wish to achieve through this funding model from the outset, the VCSE will be better placed to develop initiatives to achieve these and to monitor success.</p>
Q3	Will the new funding system provide greater opportunity for wider participation from the VCSE in the commissioning of services?	<p>There is the opportunity for the development of consortia and an increase in co-partnership working, therefore increasing opportunities for the VCSE. However the costs of involvement in co-design may be prohibitive to small groups with no core funding.</p> <p>If organisations in the sector are provided with opportunities to access training, support and guidance to up skill them on this new approach then there should be wider participation. However if this is not provided, opportunities may be limited to those organisations with greater capacity.</p> <p>Depending upon the nature of the contracts to be commissioned, opportunities exist to look at ways in which contracts can link to other initiatives, for example, how individuals supported through youth justice could link in with employability/enterprise initiatives.</p>
Q4	Will the new system improve confidence in the consistency and transparency of how funding is awarded?	<p>The opportunity for the VCSE to become involved in the development of the funding system through co-design may instil more confidence in the openness and transparency of how the funding is awarded.</p> <p>The Department should provide further clarity on the proposed innovation funding model and how this will be implemented in practice.</p> <p>The proposed phasing in of the new approach and the commitment to minimise disruption to the sector is also to be welcomed.</p>

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		<p>The document does not yet make clear how the outcomes at population level and project level performance results will be reported and disseminated.</p> <p>While Open Call commissioning is to be welcomed as improving access and transparency, DOJ needs to clearly communicate the objectives of the funding and the approach that the sector needs to take to measure the impact.</p>
Q5	Do you consider that embedding a culture of co-design in the new funding system will better harness the knowledge and skills of the VCSE and lead to the design and delivery of more effective services being delivered for the public?	<p>Yes, co-design needs to be a key feature of the new funding system to enable VCSE to have a clear insight of how services need to be and should be delivered, to support the delivery of effective services on the ground, and to select the most appropriate organisations for receipt of funding.</p> <p>This will also ensure that the market is clear about what the department want to achieve through any new funding model.</p>
Q6	Do you consider that the use of Full Cost Recovery costing will provide greater opportunity for more VCSE organisations to compete for funding?	<p>Full cost recovery may provide a level playing field, but it also opens up the possibility of double funding for those organisations that may be in receipt of core funding.</p> <p>Additionally, some VSCE groups may struggle with sustainability as funding moves from core funding to full cost recovery project associated funding, especially if their business model has been built around longer term recurring core funding.</p> <p>The change in emphasis from core funding to project funding on a full cost recovery basis should result in fairer and more objective assessment of proposals while ensuring that the sector is not disadvantaged.</p>
Q7	Do you agree that the use of a Full Cost Recovery approach will promote greater understanding within VCSE of the costs	<p>The more established community & voluntary groups will understand the costs involved with the delivery of planned projects, however the smaller community & voluntary groups may be at a loss.</p>

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	involved with delivering specific projects, and therefore ensure VCSE organisations do not deliver services at a loss?	
Q8	Will the incremental approach to implementation provide sufficient safeguards against negative impacts on VCSE organisations during the three year transitional period?	Whilst the consultation document outlines a number of approaches to market engagement, there should be more emphasis on up skilling organisations to ensure they have the capacity to apply for and manage funding under this model.
Q9	Will the funding model provide equality of opportunity to all VCS bodies seeking to bid for funding?	This new model has the potential to exclude those smaller organisations that don't have the capacity to apply for or manage funding under this model.
Q10	Do you envisage the implementation of a new funding model will negatively impact on any particular groups?	<p>The implementation of a new funding model may negatively impact upon smaller community & voluntary groups.</p> <p>However, and as part of the co-design conversation, the model may enable larger organisations to deliver services most appropriate to them (through full cost recovery) and give smaller organisations the opportunity to apply for smaller funding streams.</p>
Q11	Please provide other comments and views on the proposed new VCSE Funding System:	<p>The consultation document is quite high level and provides little detail on how the funding change will have an impact on the organisations delivering programmes on the ground.</p> <p>The consultation outlines that there will be a number of initiatives to engage the market in advance of the new funding proposal, however these seem light touch. There should be more emphasis on up skilling organisations who apply for this funding to ensure that all opportunities to receive funding are distributed equally among organisations no matter what scale.</p>

		<p>Other additional comments:</p> <p>The proposed approach to co-design of interventions reflects the model that Council is proposing for implementation of its Local Action plan under the PEACE IV programme. As such opportunities should be identified for developing and sharing good practice in this area and on identifying potential for collaborative initiatives.</p> <p>The Department should commit to early engagement with Council and information sharing relating to the assessment of project proposals to ensure that Council's funding programmes are aligned with, and clearly complementary to, the Department's funding to the VCSE sector.</p> <p>As the new process is anticipated to commence from April 2017, Council would wish to be kept informed of key dates and further detail on the proposed co-design and commissioning processes as it is developed. Given the scale of the change and the intention to co-design with the sector, this time-line may be ambitious. It also limits the potential to build skills across the sector to ensure equality of access.</p> <p>Whilst the review is welcome, a new approach by DOJ alone could create confusion and inconsistency, particularly when other departments, for example, OFMDFM and DfC are also providing money to VCSE. An executive wide review would be beneficial.</p> <p>The increased focus on outcomes is welcome, however, consideration needs to be given to the capacity of some VCSE organisations to manage the associated performance systems to support outcomes based accountability. As previously noted, DoJ should consider a support programme of training and capacity building.</p>
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