



DRAFT PORTFOLIO HOLDER DECISION NOTICE

PROPOSED INDIVIDUAL DECISION BY THE LEADER WITH PORTFOLIO FOR FINANCE AND CORPORATE POLICY

TOPIC – PROCUREMENT OF CORPORATE GRANTS MANAGEMENT SYSTEM

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Chief Operating Officer, the Chief Executive and the Chief Finance Officer are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Democratic Services Officer by 5.00pm on Monday 24 August 2015.

Contact Officers:

Case Officer: Eloise Appleby, Assistant Director (Economy and Communities), tel 01962 848 181, email eappleby@winchester.gov.uk

Democratic Services Officer: Nancy Graham, Tel: 01962 848 235, ngraham@winchester.gov.uk

SUMMARY

- The Council has for many years provided funds to support the work of voluntary and community organisations in the Winchester District, recognising the wide and valued range of services they provide and their capacity to support the delivery of the outcomes of the Winchester District Community Strategy.
- The current budget for grants to voluntary and community groups is approximately £600,000 per annum. In addition, there are smaller grants programmes for individuals and organisations managed by teams across the organisation, for purposes ranging from environmental and community planning to business start ups and apprenticeships. On occasion, Members

also award ad hoc grants such as the four-year capital grant to support major refurbishment work at Winchester Cathedral.

- The grants programmes are all administered manually at present. Although applicants appreciate the personal touch, the process is labour-intensive and has the potential to lead to duplication of effort, human error, delays and inconsistency. It can also be stressful for the small number of staff administering grants, particularly when deadlines coincide or at critical times in the annual financial cycle. The Council believes that the time taken to run manual systems could be used more pro-actively to support the development and resilience of the community and voluntary sector.
- In the adopted Portfolio Plan for Local Economy for 2015/16 there is an action to “Explore the cost and viability of introducing grants processing software package to expedite processing and payment of grants, and maintain a central record of support provided.”
- Having carried out preliminary research into the options available, officers believe that it would be advisable to advertise for an ‘off the shelf’ software package through an open procurement process via the South East Business Portal.
- The draft specification is attached at Appendix 1. It sets out the evaluation process and criteria at section 3. The evaluation panel would include officers from Finance and IMT, as well as one or two ‘end users’ who might be using the system for future applications.
- Following discussions with officers at Test Valley Borough Council, officers are seeking two options for costings. One would be for Winchester City Council alone, and the other would be for procurement across the two councils to assess any scope for savings.
- The Winchester District Community Strategy includes a corporate outcome of being an Efficient and Effective Council. The procurement of this software would contribute to the delivery of this outcome, whilst also optimising the capacity of the grants to make impact under the three community outcomes of the Strategy.

PROPOSED DECISION

That

- a) the procurement of a new corporate system for grants processing, management and reporting be authorised;
- b) the specification at Appendix 1 be approved as a basis for the procurement process, subject to any minor amendments to be made by the Assistant Director (Economy and Communities) in consultation with the Leader;
- c) the evaluation criteria set out in the Specification be approved, including the variation of the Council's standard cost : quality ratio from 60:40 to 30:70 in view of the relatively low level of financial investment against the high level of ongoing impact on officers and customers (section 9.1d of the Council's [Contracts Procedure Rules](#) refers);
- d) authority be delegated to the Assistant Director (Economy and Communities), in consultation with the Leader, to evaluate bids and award the commission.

RESOURCE IMPLICATIONS

Initial research by officers suggests that a budget of £12,000 would be adequate for the purchase of the new system, and provision has already been made within the Active Communities revenue budget for 2015/16.

There would be an ongoing revenue cost based on the number of licences, the support service provided and the hosting solution on offer. Again, it is considered that these costs will be met from existing revenue budgets, with research so far suggesting a figure of under £5,000 per annum.

REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

There have been grants officers at the Council for many years, all working with paper-based systems for recording and processing grants applications. Whilst customer feedback is nearly always positive, the reduction of the role to three days a week some years back and the introduction of new grants over time (eg the Town Forum Small Grants Scheme) makes for extremely pressured working conditions. Moreover, there is little resilience if the officer should be unexpectedly absent.

The current officer has been in post for three years and now feels that the introduction of specialist software is essential for an efficient, well-documented and transparent grants programme. Government has stepped up reporting requirements for transparency, including those around community grants. Members have often expressed a wish for a full, corporate picture of the financial support being given to organisations. At present, this is difficult to achieve because each Team uses a

different system for its grants. Assuming that the system beds in well, it is envisaged that it would be rolled out to other teams over time to provide a consistent approach to grant-making and –monitoring within the Council.

Officers did approach Hampshire County Council to explore the option of sharing the grants software which had been specially written, and which is intended for sharing with other County organisations (eg the Police and Crime Commissioner). However, the County quoted the following costs in 2013:

- a) one off development costs to allow for ‘multiple users’ (ie Winchester City Council and any other authorities which might wish to use it in future)
£30k
- b) costs to create an interface with Winchester City Council’s systems and branding
£15k
- c) annual IT hosting/support cost
£2/3k

Moreover, County officers advised that it would not be possible to share the kind of information that might bring about efficiencies of scale and a more joined-up perspective on the grants being made.

It is possible that the Council’s preferred IT supplier, WebLabs, could develop a tailor-made system. However, they would be eligible to bid for the opportunity through the open procurement process proposed and their bid would benefit from comparison with other providers whose products are already in use.

Discussions have taken place with the LEADER team - which also issues grants to rural businesses and community groups and is currently procuring a grants management system - about the desirability of a joint procurement. The LEADER officers felt that there should be complete separation of the two systems, because of the contractual and confidentiality requirements of the LEADER programme and the high level of information recording required for EU funding streams such as this. The LEADER system will be paid for from EU funds supporting the programme.

CONSULTATION UNDERTAKEN ON THE PROPOSED DECISION

The Portfolio Holder for Local Economy has been consulted and is supportive of the proposals, which support the deliver of his Portfolio Plan for 2015/16.

As indicated above, discussions about the best way forward have also taken place with the County Council’s grants officers, the LEADER team, colleagues from IMT and other officers involved in the grants process.

The proposal reflects feedback from grant applicants, who are keen to see grants processes as streamlined as possible as this reduces the time commitment for

volunteers and helps to ensure that the Council's decision-making timescales fit with their own aspirations.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED
FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION
NOTICE**

n/a

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR
OFFICER CONSULTED**

n/a

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

n/a

Approved by: (signature)

Date of Decision

Councillor Stephen Godfrey - Leader

Procurement of a Grants Management Software System

Specification

Summary

Winchester City Council wishes to procure a software to support the administration, management, promotion and reporting of its various grants programmes. The overall aim of the initiative is to streamline the grants process, in order to:

- reduce time-consuming manual processes for officers;
- improve the customer experience for applicants, and
- enhance transparency in line with Government expectation.

Deadline for bids: Bids from appropriate organisations and individuals should be submitted by noon on Wednesday XX XXX 2015, in accordance with the requirements set out in section 3 of this specification.

1. Background Information

1.1 Introduction

The Council has for many years provided funds to support the work of voluntary and community organisations in the Winchester District, recognising the wide and valued range of services they provide and their capacity to support the delivery of the outcomes of the Winchester District Community Strategy.

The Council currently has an annual budget for voluntary and community groups of approximately £600,000 per annum to award and administer. In addition, there smaller grants programmes for individuals and organisations managed by teams across the organisation, for purposes ranging from environmental and community planning to business start ups and apprenticeships. On occasion, the Council also awards ad hoc grants such as a four-year capital grant to support major refurbishment work at Winchester Cathedral or a one-off resilience grant to a local arts organisation.

The grants programmes are all administered manually at present. Although applicants appreciate the personal touch, the process is labour-intensive and can lead to duplication of effort, human error, delays and inconsistency. It can also be stressful for staff administering grants, particularly when deadlines coincide or at critical times in the annual financial cycle. The Council believes that the time taken to run manual systems could be used more pro-actively to support the development and resilience of the community and voluntary sector.

1.2 Policy Context

The Winchester District Community Strategy (2010 – 2020) sets out the priorities for the Council. The grants programmes are intended to support delivery of the outcomes of the Strategy, which are currently:

i) *Active Communities* – encouraging healthy lifestyles and active participation in communities, ensuring people can access the services they need.

ii) *High Quality Environment* – ensuring that our natural and built environments are valued, enhanced and respected in a way that contributes to a sense of place and underpins a prosperous economy.

iii) *Prosperous Economy* – fostering a dynamic and creative economy, supported by excellent education and communications. Encouraging new business and entrepreneurship, tackling worklessness and promoting a low carbon economy.

In addition, the Strategy sets out a corporate outcome of being an *Efficient and Effective Council*. The procurement of this software would contribute to the delivery of this outcome, whilst also optimising the capacity of the grants to make impact under the other three outcome areas above.

1.3 Existing Processes

The Council currently administers approximately 120 grants for community and voluntary organisations annually, across four different grant streams – although the exact number and nature of the schemes can change over time.

On-line applications are now encouraged for all grant streams, using e-forms built using software that is provided by one of the Council’s preferred IT suppliers (WebLabs). However, some organisations and individuals still prefer to make paper-based applications, which the Council has no intention of refusing at present.

Applications are currently recorded and processed using an excel spreadsheet, but require additional interventions for payments via the corporate e-finance system, CIVICA Financials.

The work flow process for the grants is as follows:-

Promotion	Application	Assessment	Decision making	Grant award	Payment	Monitoring / evaluation	Payment (where phased)	Reporting
⬇	⬇	⬇	⬇	⬇	⬇	⬇	⬇	End

In the case of core funding, the annual processes can overlap. Final monitoring information for the preceding year may not be received until the following year’s grant has been awarded.

1.3 Partnership Working

The Council has a shared IT service with Test Valley Borough Council (TVBC) and routinely procures software and services across the two councils for economies of scale.

TVBC runs its own grants programmes and officers are beginning to consider the need for a grants management system, but are not yet ready to proceed with a formal procurement process – and indeed may choose not to proceed, should such a recommendation not be supported corporately.

This procurement process will therefore be run in a way that will enable TVBC to buy in at a later stage if they choose to do so, without having to carry out further procurement work of their own.

However, a key aspiration for Winchester City Council is to have a new system installed and tested in time for the start of the next core funding cycle in October 2015. There is no intention to wait for a decision by TVBC before moving ahead with the project.

2. Procurement Requirements

2.1 Outcome

The overall outcome of this project should be as follows:

The Council delivers its grants programmes in the most efficient and effective way possible, creating a positive customer experience for applicants and freeing up officer time to provide more proactive development support for the voluntary sector.

2.2 Key Features of the New System

The Council seeks to procure specialist software for the management, processing and reporting of grants. Key features should be:

- A system which facilitates and aligns comfortably with the Council's existing grant making processes
- A front end that is easy to navigate and use for applicants
- A data management system for administration purposes that is flexible, easy to maintain and intuitive
- A system that meets transparency, audit and other reporting requirements
- The flexibility to add, remove and adapt grants programmes over time
- Customer-friendly and timely technical support.

2.3 Technical Requirements

This specification has been produced by officers responsible for grants, and not by IT specialists, although the project has the support of the Council's IT team.

In addition to the key features at 2.2 above, technical requirements are considered to be as follows:

- Access for multiple users, with different access user levels:- manager, editor/administrator, read only etc. Obviously, should the system be procured across both the Winchester City Council and TVBC areas, it will be essential to segregate the two sets of Council information completely.
- Secure system to store information and documents relating to each applicant (eg annual reports, accounts, pictures, excel spreadsheets, PDFs)
- Configurable database which allows user to add and delete fields from a menu of options
- Complete audit trail of the application process – captures the full grant cycle from start to finish
- Ability to capture and report on quantitative data, and also qualitative data such as feedback from beneficiaries, case studies, external assessments etc
- Ability to monitor, record and report on the outcomes and end of grant process
- Reporting function to include accurately producing statistics on applications received, locations, grants awarded to the organisation, outcomes, formal decision-making references etc
- Facility for the applicant to sign the Council's data protection statement
- Record and report on equalities monitoring information provided by applicants
- Document production:- standard letters, emails, funding agreements, service level agreements, end of grant reports, end of year reports
- Facility to capture and manage payments
- The capability to interface with the Councils CIVICA Finance system in order to facilitate payments
- System alerts for payments, monitoring, outstanding processing
- Continual development and system upgrades
- Reliable support service for applicants and administrators, available as a minimum from 9am to 5pm Mon - Fri
- User manual for applicants and administrators
- Capability to import historic grants data
- The capability for remote access and mobile working whilst out on location visiting an applicant

Based on recent experience, the following specific attributes are required from on-line forms within the system:

- Ease of manipulation by grants officers without significant technical expertise
- Functionality to create tables (eg to seek budget information from applicants)
- Applicants to be able to append documents
- Applicants to be able to review and save forms
- Applicants to be able to receive a copy of a form that they submit
- Email acknowledgement to applicants
- Online forms to feed automatically data into database
- Appended documents to be sorted on the database

Officers have carried out some preliminary research into grants management software currently on the market, but welcome suggestions of other features which will actively help to deliver the outcome specified at 2.1 above.

3. Making a Bid

This opportunity has been advertised on the South East Business Portal and Contracts Finder and via local and regional networks. Bids may be submitted by any organisation (private, public, voluntary sector) which considers itself able to fulfil the brief effectively or indeed by an individual on the same basis. Where individuals or organisations feel they would benefit from working together to deliver this project, the Council will accept bids from a combination of partners. However, the contract will only be with one lead individual or organisation and this lead partner must be made clear on the submission.

3.1 Anticipated characteristics of the successful bidder

The Council has no preconceived view about the type of provider suitable for this commission, but expects the work to be completed to a high professional standard. To this end, it is anticipated that the successful bidder will have knowledge, skills and capacity in *some or all* of the following areas:

- delivery of projects of a directly comparable nature, with proven success
- a strong understanding of grant making processes
- a track record of working with local authorities
- a track record of innovation in systems management
- creative problem solving
- the ability to explain technical information to non-technical clients
- excellent communications and interpersonal skills
- excellent organisation/programme management skills
- Financially sound as demonstrated in most recent statutory accounts or other relevant financial information as detailed in 3.2 below

3.2 Content of a Bid

There is no set format for a bid, but you must include the following information: -

- Full description of the organisation(s) including governance arrangements, or – for individuals – a current cv
- A clear description (not exceeding 4 pages) of the work you have produced which is relevant to this specification. *(Additional pages may actually diminish your chances to secure this commission, so please do not submit in your standard company format at the expense of the information we most require, and **please avoid jargon or acronyms that may not be understood by all the panel.**)*
- For lead organisations, a copy of the most recent annual accounts, latest management accounts and an up to date balance sheet
- A break down of costs (exc VAT); please also state whether you are VAT-registered
- A simple project plan leading to ‘go live’ in time for the October opening of the core grants cycle
- A high level risk assessment
- A description of the expertise available for delivery and ongoing support of the software
- Confirmation that you would be available to deliver, install and support transition in time for October 2015
- Two referees for work of a relevant or comparable nature

3.3 Costings

Costings should include two options:

- a) purchase of a system with no more than 5 users by Winchester City Council
- b) purchase (although potentially on a staggered basis) by both Winchester City Council and Test Valley Borough Council, the latter for a total of 10 users.

Figures must clearly differentiate between:

- one-off purchase costs
- annual licence and support costs
- optional costs for additional features

3.3 Deadlines

Please note the following dates in your diary as they cannot be changed to accommodate individual bidders.

The panel will expect to meet the personnel who will actually be delivering the contract (installation and support) at interview.

Action	Deadline (all dates 2015)
Contract advertised on South East Business Portal and Contracts Finder	Date Date
Bids to be submitted	Midday on XXX XX
Financial checks	Week beginning X?? August
Evaluation panel meeting	September
Presentations to the panel by shortlisted bidders (usually 3, maximum 4)	September
First meeting with successful bidder to discuss project implementation	October

3.4 Evaluation Process and Criteria

Process: All bids will be evaluated in the following sequence:

- Initial financial checks for viability and resilience carried out by the Council's Finance Team
- Shortlisting by the evaluation panel, which will consist of officers from grants, IT and finance, at least one end-user and a representative of TVBC
- Presentations by three (maximum four) individuals/organisations to the panel
- Collection of references for preferred bidder

Criteria: The evaluation criteria which will be applied to all bids are as follows:

- a) the ability and capacity of the bidder(s) to deliver the commission, based on:

- approach to delivery of the requirements in this specification
- relevant experience
- understanding of main issues and opportunities in delivering the new system
- added value features of the system

max 30 marks

- b) recognition of and provision for the support needs of applicants / users from minority backgrounds as identified by Equalities Law (eg those with disabilities, English as a second language)

max 10 marks

- c) the capacity of the bidder(s) to deliver the system within the timescale set out in this specification

max 10 marks

- d) the stability and reliability of the bidder (track record, financial status and resilience of lead bidder, overall financial credibility of bid). Where the Panel's financial advice indicates an unacceptable level of risk, this could lead to rejection of the bid.

max 20 marks

- e) overall contract cost of provision to meet the requirements of this specification, regardless of any options put forward. This would be assessed for each of the two options (Winchester-only, and Winchester with TVBC to follow)

max 30 marks

4) Making a Bid

Please submit your bid electronically by **noon on XXX 2015** to:

Melissa Fletcher
Funding and Development Officer
Winchester City Council
City Offices
Winchester
SO23 9LJ

At mfletcher@winchester.gov.uk

Please mark the email 'Confidential – Grants Management Software' and ensure the file size is **under 5 MB**.

If you wish to send a larger file size you will need to do this on a memory stick or disk, and it must still arrive by the above deadline.

The Council does not use Drop Box or other file-sharing software, so this is not an acceptable means to submit your bid.

To request an informal discussion about the contract please email your contact details to Melissa Fletcher as above and she will call you at a mutually convenient time.

Background Information

- For details of Winchester's grants programmes see www.winchester.gov.uk/community/grants/
- For details of Test Valley's community grants see <https://www.testvalley.gov.uk/resident/communityandleisure/workingwithcommunities/communitygrants/>
- Most recent Council report dealing with the allocation of core funding [CAB2646](#)