



**Ministry of  
JUSTICE**

National Offender  
Management Service



**European Social Fund 2011 – 2014 – Technical Assistance – Social Enterprise Procurement 2012**

	Question	Response
1	Is there information available on future contracting opportunities?	All Government opportunities over £10,000 are published on the Contracts Finder website.
2	Is it anticipated that future contracting opportunities will be mainly with NOMS CFO Prime Providers?	No, Bidders do need to ensure that they link with the main NOMS CFO programme but this Social Enterprise opportunity is specifically pump priming to develop consortia.
3	In relation to local consortia, are you looking for a focus on a particular business area or do you expect to see wider sector representation within the proposed model?	We are not being prescriptive about the types of consortia that are proposed, as long as they meet the requirements of the Specification.
4	How do we actually network with other organisations and form consortium links?	This can be done via the networking website that NOMS has requested Social Firms UK to develop. There will also be a series of regional events prior to the deadline for submission of First Stage Request for Proposal (RFP) responses in June.
5	How would we introduce Social Impact Bonds into new, developing consortia?	You would need to approach and pitch the idea to a Social Finance organisation, possibly with similar organisations from your consortium. But remember that Social Impact Bonds is not the only way of financing your model.
6	What are the biggest risks in setting up a consortium?	Lack of communication and clarity, as well as cultural differences (e.g. Social Enterprise and Charity organisations working with Commercial organisations) are key risks so it is important to have clarity from the outset of the arrangements.
7	Is there an optimum number of members for a consortium?	It is probably easier and more practical to work with a smaller number of members, but there is no optimum number - this would be dependent on the nature of the service / project to be delivered.
8	How do smaller organisations and / or those that are working with ex-offenders overcome barriers (e.g. track record) when bidding for services?	You can do this by working with and leveraging the experience of other members of your consortium. For this particular procurement we are looking to be as inclusive as possible in the initial stages of the process.
9	How would you see the finance arrangements being reflected with a lead member who assumes more management responsibility (and potentially absorbs a greater percentage of the contract value as well as capacity building) in comparison to other members?	There is a longer term benefit to capacity build smaller organisations and there is a responsibility for the commissioner to build in safe-guards to protect and nurture smaller organisations, as far as possible.
10	Should the lead member have a set percentage of the contract value to reflect the additional responsibility assigned to it?	You would need to consider the specific contract in each instance to assess how appropriate a particular percentage would be.
11	Are you looking for models that will service wider objectives?	Bidders need to meet the requirements of the Specification and eligibility criteria but should also think about future proofing (e.g. the wider social benefits that could accrue as a result of your model).
12	The high-level Specification includes a requirement for measuring impact but the presentation on ESF requirements stated that a separate evaluation will be undertaken by the Authority. Are these two different elements?	Yes, the CFO (Authority) evaluation is about evaluation of the programme (e.g. compliance with ESF and contract requirements) reviewing the data that you are required to provide. The measurement of impact in the Specification is in relation to wider social impact and is related to the Social Value Agenda. This is separate to compliance and we will be working with successful bidders at the dialogue stage and then during the grant period in terms of how this will be captured.

13	<b>Will there be any advice or information on cross-disciplinary working (e.g. working with the Department of Health and Education)?</b>	Multi-disciplinary approaches are welcome as long as they meet the requirements of the Specification. This can be dealt with as part of the Technical Support to be offered to bidders.
14	<b>The majority of the grants are £50k for a consortium (i.e. 2 or more members) for 2 years following an extensive process and the need to adhere to stringent grant requirements (e.g. audits). Is this a realistic grant value?</b>	The lots for £50k grants are all focused on localised delivery. What we are doing at these events is advising on the risks and restrictions with ESF funds so that all bidders are aware of the requirements. This process is about giving support, assistance and Technical Support which will be provided throughout the process. The 2 year period is a maximum grant length, there is no minimum. The grant agreements will make clear the ESF requirements. Prior to award and commencement of the grant, issues around governance, consortia building will be addressed through the Technical Support. Models can be flexible - it is for you to clearly articulate your proposed plan. These lots are about supporting the localism agenda and NOMS CFO programme.
15	<b>Given that bidding organisations will be new consortia, what will the financial assessments consist of (e.g. are you looking for bidders to use reserves, attract investors) and how will they relate to Payment By Results (PBR)?</b>	This opportunity is not related to PBR and the payment mechanism (to be decided) will reflect this. In relation to wider and future NOMS contracts, there is work taking place in terms of working towards PBR models and bidders should be aware of wider Governmental objectives. However, PBR is not something we are specifically looking at for this opportunity. It is up to bidders to present your proposed consortium business plan as well as plans for financing. Bidders need to demonstrate how sustainable their models are likely to be.
16	<b>Are you looking for all members of the consortium to be involved in front-line delivery?</b>	No, we are looking at the consortium as a trading entity that can span a range of functions, as required (e.g. back office support).
17	<b>To develop consortia for future opportunities, we need to know the pipeline of future (short-medium-long term) work. Where can this information be accessed?</b>	Proposed models need to assess the Government landscape (e.g. Green Deal). We could potentially look at this as an area for Technical Support but what we are looking for is bidders to demonstrate their entrepreneurial spirit in their proposals to evidence the sustainability and enterprise in their models.
18	<b>Can all members of a consortium participate in the process if they are not defined as a Social Enterprise against the SE Mark criteria (e.g. if they are grant-funded)?</b>	Yes, the process is open to all organisations but Social Enterprise must be at the core. We have stated the criteria to be the SE Mark <b>or similar</b> - this is a minimum definition of what a Social Enterprise is but it does not exclude grant-funded organisations from participating, as long as the proposal meets the requirements of the Specification.
19	<b>How would you address the concern that the focus of this opportunity is on procurement and consortia building rather than on particular client groups?</b>	The focus of the consortia models needs to be on the hard-to-help client group and bidders will need to demonstrate an understanding of this. But it is down to bidders to decide the type of model they want to develop and what eligible client groups they want to target, we are not prescribing this.
20	<b>What is procurement and how does it fit in with this opportunity?</b>	Procurement is the process of buying goods and service. It underpins the process we are applying to award the grants via a fair, transparent and open competition.
21	<b>How appropriate is it to be a lead member if our core business is to work with offenders and then refer them to an organisation in a risk-assessed state?</b>	You could potentially market yourself as a lead depending on your existing networks and linkages, as well as who you choose to work with. However, it is ultimately your decision as to whether you would wish to assume a lead role.
22	<b>What future funding will be available?</b>	We would expect bidders to undertake appropriate market research for their proposals and look at possible future revenues and funding streams for their models. Bidders need to meet the immediate requirements for this opportunity as detailed in the Specification but part of this is looking at the sustainability of your model. The Technical Support to be procured separately should assist regarding other financial considerations. Bidders will need to consider the flexibility of their models to adapt to changes, as required. The proposals need to be enterprises so future funding can be wider than just Government available funding.

23	<b>What is different about this funding, is it a delivery fund?</b>	The funds are not delivery focused, it could be a model without beneficiaries. As it is part of Technical Assistance it has to add value to the existing delivery programme. We will not be comparing like for like but looking at each bid individually. We are looking for support mechanisms to be put in place and not delivery.
24	<b>Can we have information provided about the Case Assessment Tracking System (CATS), I would like an overview of the system.</b>	Yes we will arrange for some information to be provided.
25	<b>The funding seems to be targeting a very narrow band of participants. Is this correct?</b>	This funding is about building a structure and forming consortia rather than targeting any particular group of offenders. However, if you target the most hard to help offenders this will be considered when assessing the bids. Also, you may want to give consideration to the regional priority groups if your proposal is not local.
26	<b>Are there Investors who are willing to take the risk over three years before getting a return on their investment?</b>	Yes but they can be very difficult to find. Social investment is looking at Health , Education as well as offending. Some examples include Grant Fund, Charity bank Big Issue investment fund etc but they are all looking at the best possibilities in the market for investing. Such investments are funding the debt not the return. Other examples of possibilities include Roundtree foundation and Esme Fairbairn.
27	<b>How do you move away from grant funding reliance while consortia building?</b>	You need to devise a plan to move away from reliance on grant funding as you will be competing against other 3rd sector organisations. You need to find the right consortia mix as well as complimenting yourselves and the services that you are providing. You can identify potential partners on the SFUK website that is being set up for this opportunity (the portal). You will also need a credible business plan that allows you to look for other avenues of funding.
28	<b>Where do you find information on Social Return on Investment?</b>	Possible routes might include internet searches or you might be able to find a local university willing to do an annual social impact assessment for you.
29	<b>What are good sources to find the right information?</b>	There are some links that have been provided at the end of the presentation slides which are uploaded on the NOMS CFO website. NCVO and ACEVO are examples of other routes to access information.
30	<b>Can Social Enterprises be franchised to other areas?</b>	Those who make a surplus that can be franchised. The RBS 100 portal can provide further information and there are also examples in their newsletter.
31	<b>Where are there examples of Case studies?</b>	Please see SFUK, SE London on consortia building as possible examples.
32	<b>What are other avenues for consortia building funding?</b>	Possible other routes could include lending from banks, other ESF routes, Big society capital. There are potentially issues around cash flow that organisations will need to consider.
33	<b>How many organisations do consortia building?</b>	Many large construction agencies operate consortium models. There are some examples in Croydon where the model must look at local employment and the regeneration in the area that the projects will enhance. They require a minimum of 25% local employment and engagement to get contracts. If there are any large projects happening in your area it might be worthwhile approaching them as providing support in your local area.
34	<b>How can you get engaged with Local Authorities after building a consortia?</b>	You can get help through the local authority index, through the industry that you are engaging with. You need to find out who the commissioners are in the local council and try to outline the benefits of contracting with a Social Enterprise. Bidders should be aware that local authorities can have their own contract requirements which may be different from the ones you are currently engaged with. For example they may require that the organisation has a turnover of four times the contract amount which may be a problem for the consortia depending on how it is constructed.