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Introduction

Delivering services on behalf of public bodies is an increasing trend within the voluntary and community sector (VCS), which is summed up in its simplest form in the move from grant funding to contracting. There are a number of reasons for this, including the need for local government to be more accountable for how public money is spent, the loss of centrally ring-fenced funding streams such as the Local Network Fund and the Children's Fund and an increase in confidence from central government in the strength of the VCS to deliver really successful, innovative services to children, young people and families. Most importantly, perhaps, central government believes that a competitive mixed market – i.e. services run by a range of providers from public, private and third sector organisations – is the best way to deliver services to ensure quality, innovation and price.

However, contracting is not without risks and, ultimately, should be a strategic and well-considered decision. This guide is intended to support children's and families' VCS organisations that are thinking about delivering services via a contract from a public sector agency.

It intends to:

- Explain about a typical contracting process.
- Help you to decide if you are 'tender ready'.
- Signpost to additional resources.
- Guide you through aspects of contracting that are especially tricky or need special consideration.
- Offer helpful tips, exercises and checklists.

This guide consists of four sections:

- Background information.
- Are you ready to tender?
- Preparing your tender.
- Things to keep in mind.

Terms written in **purple** can be found in the glossary located at the end of this resource.

Special attention should be paid to paragraphs beginning with '**Health Warning**' as some areas of contracting can be complicated, risky or have legal implications. These sections flag up when it may be advisable to take expert advice or special care.

Health Warning: Entering into the contracting environment is not the only option for organisations looking to build a sustainable funding future. There are other models of working, such as creating a social enterprise, building a strong network of private donors or receiving grants from businesses or trusts (none of which are quick and easy solutions!) that should be explored before jumping onto the contracting bandwagon. Your **CVS**, **CVYS** or other local support organisation may be able to help you discover other options. A good resource to help you think about diversifying your income to build a sustainable future can be found at www.growingupinthewestmidlands.info/cake

Disclaimer

The information in this guide is believed to be correct at the time of publication. It is general in nature and is not intended to be exhaustive nor to provide or replace legal advice in relation to any particular situation.