

## CASE STUDY

### REalliance CIC: Third Sector Consortia Development Project

Being able to access procurement and tender opportunities is essential for social enterprises if they are to compete in the open market. But as social enterprises are typically smaller than privately owned companies, it can be difficult to compete. Developing consortia and partnership working is therefore a key strategy that enables social enterprises to access procurement and tender opportunities.



REalliance

#### The history of REalliance CIC

REalliance was formed in 2008 as a Community Interest Company owned by the four main community resource and recycling networks in England – The Furniture Re-use Network (FRN), London Community Resource Network (LCRN), Community Composting Network (CCN) and Community Recycling Network UK (CRN UK). REalliance CIC provides development support, representation, guidance and information for voluntary, community and social enterprise organisations working to manage resources sustainably.

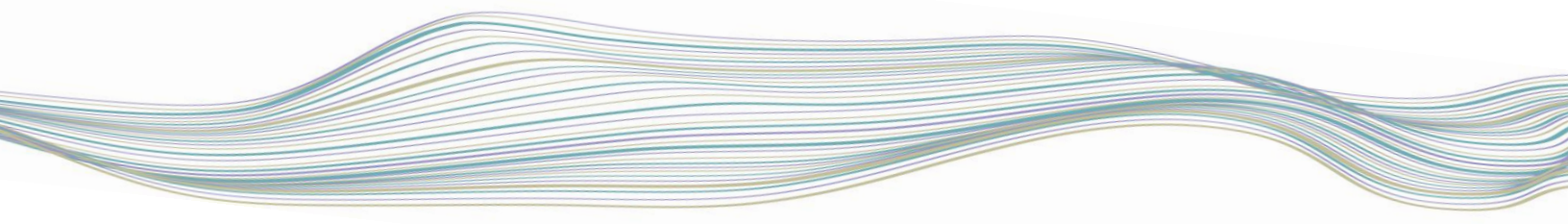
REalliance CIC runs two major programmes – one is a capacity building project in partnership with WRAP (Waste & Resources Action Programme) - the Government funded resource efficiency support body. REalliance CIC is working in partnership with WRAP to increase the capacity of 150 third sector resource management organisations through three strands of tailored support; Organisation Development, Network Development, and Market Development. The joint working by organisations in the network development strand links naturally to the second REalliance programme; I-SEE, the Investing in Social Enterprise Expansion project, in partnership with the Social Enterprise Coalition, and funded by The BIG Lottery Fund.

#### The I-SEE project

This project was developed to address the difficulty that single organisations face in meeting public sector contract criteria. Obstacles can include the lack of resources or scope to cover a geographical area, a highly specified focus rather than providing an integrated service which the contract requires, or the organisation may be simply too small to meet the demands and expectations of commissioners.

The key theme of this I-SEE project is therefore to enable social enterprises working in the resource efficiency field to secure public sector service contracts by working together and using consortia where appropriate. The project works directly with organisations with identified potential opportunities, and key learning from this is then shared and applied more widely to assist a range of organisations to work together.

During the project, which is due to finish in 2012, the aim is to create and support six delivery partnerships involving 75 third sector organisations with different specialisms in shared, revenue-positive contracts - demonstrating the practical value of partnership working, and showing commissioners the real power of third sector delivery.



## I-SEE project activity so far

The initial focus of the project was on working with social enterprises in Manchester and London, to help organisations to provide services collecting and re-using bulky items (e.g. furniture or white goods) that householders no longer require. This activity not only reduces the amount of waste that goes to landfill, but also provides low cost items to disadvantaged families, as well as training and volunteering opportunities for individuals working with social enterprises.

On the ground delivery and support is provided by the partners of REalliance CIC. In Manchester and Surrey, local staff are funded to facilitate networking and partnerships. Additionally in Surrey, grant funding has been secured to enable an Interim Manager to bring together local organisations, and to liaise between the county and district councils, and the local social enterprise deliverers. Key to success there is to find common expectations between the five local organisations working in consortia and the needs of the council, in order to provide a consistent service for the commissioners and local people.

The I-SEE project has enabled REalliance CIC to support collaborations and partnerships which are increasingly long term and established, that link in with the short term delivery goals of other projects, but deliver further sustainability. A key achievement for long term partnerships in 2010 was the July announcement of London Mayor Boris Johnson funding £8m as a part-loan part-grant to create an integrated London Reuse Network.

### KEY CHALLENGES

- Forming and developing consortia built on trust and understanding
- Ensuring that consortia partners have a clear framework which outlines how they will work together
- Different bodies may hold responsibility for various elements of the same process
- Public sector tenders may be released without any consultation or consideration of local Third Sector organisations
- Finding time away from daily business for consortia working and common agreements

### Key insight gained on working in consortia

Like any development tool or process, the consortia model does involve a number of challenges, but the work of REalliance CIC in strengthening consortia and joint working provides key insights into overcoming obstacles.

REalliance CIC supports resource efficiency organisations to form consortia, and is itself an example of joint working – REalliance CIC and its four partners meet every six weeks for information sharing across the projects, and staff are brought together by their joint working at delivery level. REalliance was established as a CIC to formalise collaborative working between the partners, particularly in relation to the delivery of joint programmes and to ensure no misunderstandings of expectations develop as work progresses.

In joint working, a key challenge will always be in ensuring that individuals, organisations, and partners have a clear framework which outlines how they will work together. This is particularly difficult when there are differing service standard expectations between key organisations. Organisations should not underestimate the time it takes to build understanding and trust between a series of enterprises, even if there has been previous joint working. There is a balance between working in partnership, and maintaining the independence of separate organisations who are self-governing but working towards the same goals and objectives. Enterprises often have champions of their cause who will need to be willing to compromise and consider the logistics of other organisations, which requires communication and transparency between partners.

## Key insight gained on consortia working with commissioners

In bidding for public sector service delivery tenders as a consortium, it is vital to have a strong understanding of the history of joint working between the public and Third Sectors, and the level of council requirements. Organised and enterprising groups will be better positioned to suggest innovative ideas for partnership working, and promote their abilities in meeting local needs.

Ensuring that commissioning bodies are happy with the consortia approach the social enterprises are taking, and that the commissioner's approach to procurement of these services is appropriate, requires regular communication and a positive working relationship between all parties. There needs to be clarity in the remit of the consortium, and partners should be clear about what role each plays. This makes it easy for commissioners to understand and work with the consortium. When numerous bodies hold responsibility for different elements of the same process, i.e., collection of waste at the county level, and disposal at the district level, further clarity and discussion is required.

Establishing an ongoing conversation with commissioners will allow tenders to be informed by local Third Sector organisations and this may then ensure that what is advertised is attractive to local Third Sector organisations and does not inadvertently exclude them from bidding. Third Sector organisations are not always well-equipped to bid for extensive tenders, and joint working with large commercial businesses can be made difficult by their lack of experience in working with the Third Sector. Local authorities are often focussed on the day to day business of wanting services delivered, and are not always open to investing extra time and resources initially to explore joint working and different business models. Pre-empting tenders and working collaboratively with local authorities is therefore beneficial for both sides.

### The future of the I-SEE project

In the current financial climate, the future of funding and partnerships is unclear. However the national waste policy landscape is currently under review and government is highlighting the importance of reuse in a zero waste economy. REalliance CIC is committed to ensuring that third sector organisations are able to make the most of the opportunities that this will present.

REalliance CIC is giving third sector organisations a stronger, more coherent voice to Government, industry and other partners. Their ambition is to reach beyond existing networks and engage everybody in England who is working to build a sustainable resource economy. This is about much more than waste – it's about resource efficiency, people, skills, poverty, financial inclusion, social justice, community cohesion, local economies, value, conservation, design, innovation and activism: everything needed to reduce consumption and redistribute resources more effectively. With this ambitious goal, working in consortia can enable singular focus organisations to work in partnership, and therefore deliver more and better services towards these aims.

#### KEY INSIGHTS

- Take time to find the right partners, who can work together with flexibility, compromise, and dedication to common values
- Ensure the remit of the consortium and the role of partners is clear
- Understand the history of public/Third Sector relationships in the area, and create possibilities for joint working
- Establish an ongoing conversation with commissioners to shape tenders
- Understand the level of council or local area needs and requirements

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