

**Voluntary Action Fund**  
**Feasibility Study**  
**Scottish Centre for Equality and Diversity**  
**Consultancy Brief**

<b>Proposals deadline:</b>	31 August 2018
<b>Interview date:</b>	14 September 2018
<b>Deadline for completed work:</b>	26 October 2018

The Voluntary Action Fund (VAF) is seeking to appoint a consultant to undertake a feasibility study to ascertain the financial and operational viability of a new part of its business.

The following consultancy brief has been divided into 6 sections:

1. Introduction
2. The Voluntary Action Fund
3. Purpose of the Feasibility Study
4. Scope of the Brief
5. Response to the Brief
6. Contract value

We hope this information will be of use in developing your proposal. Should you wish further information then contact the Voluntary Action Fund Chief Executive, Keith Wimbles at [keith.wimbles@vaf.org.uk](mailto:keith.wimbles@vaf.org.uk) Mobile: 07833 568213.

## **1. Introduction**

The Voluntary Action Fund (VAF) is at an exciting stage in its development with a new five year strategy due to launch in autumn 2018. This strategy will mean VAF developing new business services and engaging with new markets and stakeholders in the private and public sectors, as well as individual donors. The strategy will focus on the diversification of our income, and developing new types of services while maintaining our reputation as a quality driven fund manager with a strong value base.

Currently we generate income from public sector contract fees, primarily from Scottish Government, using the skills and expertise we have within the organisation. Our new strategy aims to diversify business income by delivering specific consultancy services, and managing new funds under contract on behalf of the private sector, individual donors and other agencies. Our aim is to be viewed by investors and commissioners as a professional, innovative, trustworthy business offering excellent service and social added value.

## **2. The Voluntary Action Fund [www.voluntaryactionfund.org.uk](http://www.voluntaryactionfund.org.uk)**

VAF is an independent fund manager that has developed and managed funds on behalf of the public sector since 1982. It is a company limited by guarantee, and a registered charity, governed by its Memorandum and Articles of Association. Its Head Office is based in Inverkeithing, Fife, and it has an office in Glasgow.

In 2018-19 VAF is managing 7 funds of over £16m on behalf of the Scottish Government, Glasgow Health and Social Care Partnership and Glasgow City Council. All funds are managed under contract.

1. Equally Safe Violence Against Women and Girls Fund
2. Promoting Equality and Cohesion Fund
3. Volunteering Support Fund
4. Well Being for Longer in Glasgow Fund
5. Workplace Equality Fund
6. Glasgow Children's Holiday Food Programme
7. Democracy Matters Community Engagement Fund

VAF's "More Than Just Money" approach to fund management involves three elements:

- Investing Money – providing grants to the third sector (but also to the private and public sectors)
- Developing Capacity – providing learning and development opportunities for funded projects
- Building relationships - developing networks and social capital across funded projects to share learning, best practice and inform policy development.

VAF is considered by funded projects, and the wider third sector, as a friendly approachable fund manager which provides organisational development support and builds trusting relationships. We are known for our expertise and commitment to tackling inequality, not only because we manage specific equality funds but also because we demonstrate our values through the way we carry out our work.

VAF is viewed by the public sector as a professional, experienced and efficient fund manager that delivers contracts to a consistently high standard. We are also considered as a dynamic and innovative contractor because of our "More than Just Money" approach which adds value to investment.

VAF has 23 members of staff (full and part-time) and a Board of 13 Trustees, and is a member of a range of national groups and forums including:

- Scotland Funders' Forum
- Scottish Leaders Forum
- Scottish Volunteering Forum
- External Reference Group Scotland Volunteering Outcomes Framework

### 3. Purpose of the Feasibility Study

#### Background

As outlined in the Introduction, within the new Strategic Plan, VAF aims to diversify its income by offering new services to the public, private and third sectors. VAF has a history of managing a variety of funds, the aims of which are to reduce inequality. In addition, VAF has a strong commitment to equality and human rights in its core values, which are outlined below.

#### OUR VALUES

Equality	Respecting every human being, embracing diversity and promoting everyone's right to social justice.
Relationships	Working together in a spirit of trust and respect to create opportunities for collective benefit.
Authenticity	Being genuine, reliable and true to ourselves in everything we do.
Openness	Being open to the ideas, influences and views of others to increase shared knowledge and understanding.
Dynamism	Nurturing a culture where everyone can learn, create and innovate to be all they can be.

VAF has identified a potential new business opportunity - a partnership with the National Centre for Diversity (NCFD) which is a UK-wide company based in Leeds. [www.nationalcentrefordiversity.com/home/about-us/](http://www.nationalcentrefordiversity.com/home/about-us/)

The NCFD aims to advance fairness for all in the workplace by helping organisations to embed best Equality, Diversity and Inclusion (EDI) practices. Its goal is to positively influence beliefs, attitudes, behaviour and conduct towards issues surrounding EDI. As well as equality standards the NCFD provides e-learning programmes, face-to-face training, consultancy and EDI events.

The VAF Chief Executive (CE), and a member of the staff team, have been members of the NCFD National Patrons' Network for three years and have participated in meetings and events to promote the NCFD aims.

Early discussions have taken place between the VAF CE and the CEO of the NCFD about the possibility of working in partnership with them to establish a Scottish Centre for Diversity. The partnership model would be similar to the recent establishment of the Irish Centre for Diversity (ICFD). [www.irishcentrefordiversity.ie/](http://www.irishcentrefordiversity.ie/) The business model proposed would include the establishment of a new legal structure, a separate company limited by shares, with equal shares owned by VAF and the NCFD.

## **Feasibility Study**

VAF is seeking to appoint a consultant to undertake a feasibility study to determine the financial and operational viability of such a partnership between VAF and the NCFD and the proposed business model.

The initial assessment undertaken by the VAF Senior Management Team is that there is justification for exploring the business opportunity further because:

1. Both organisations share common values, in particular equality, diversity and inclusion
2. The proposed new business would fit with the new company strategy 2018-23
3. There is potential for VAF to generate additional income which can be used to support its charitable Mission
4. There is evidence that the NCFD and ICFD businesses are financially viable and growing
5. There is synergy between the knowledge, skills, expertise and networks of VAF and those required for the establishment of a Scottish Centre for Diversity
6. The new business would complement VAF's current core activity – fund management for the third, public and private sectors.

The purpose of the Feasibility Study is to establish whether the partnership and joint business model is financially and operationally viable in the short to medium term.

## **4. Scope of the Brief**

VAF wishes to commission a consultancy to undertake a 2-phase feasibility study:  
Phase 1: Market research to establish the financial viability of the proposed new business.

Phase 2: Develop a business plan for the new business dependent on the learning, recommendations and resultant decisions taken by the VAF Board from Phase 1.

## **Phase 1**

### **Stage 1 Primary Research**

To include:

- Market research of Scottish organisations that currently hold the Investors in Diversity awards or other standards offered by the NCFD. This will involve interviewing 5-6 Scottish organisations (in total) from different sectors to gather their views on the motivation for undertaking the award, experience of the process, challenges, benefits and cost.
- Identifying and comparing other available equality and diversity standards / awards and therefore possible competitors.
- Researching the potential markets for the NCFD awards from the private, public and third sectors, using VAF stakeholders and others.

### **Stage 1 Secondary Research**

To include:

- Research into existing NCFD and ICFD models of delivery through evaluations, annual reports, accounts, reputational risk, services and products including pricing and market penetration, profitability vs investment.
- Research into how this would translate to a new business partnership and the potential governance structure.

## **Output**

A Feasibility Report which outlines the findings from the research and highlights opportunities, challenges, benefits and risks of the proposed partnership and the Scottish Centre for Diversity. It should also include recommendations for potential markets, services and products, based on those currently offered by the NCFD and evidence of the potential profitability based on a three year budget which includes realistic start-up costs and projected income for the first three years.

**Phase 2:** (Only if VAF decides to proceed based on Phase 1)

Fully costed business plan with three year financial projections.

## **5. Response to the Brief**

Your proposal should include:

- How you intend to deliver the brief, and a timetable of delivery for Phase 1 and 2
- Details of the consultants to be involved and outline of relevant experience and competency
- Case studies/examples of previously completed feasibility studies with testimonials if possible
- Full costs and expenses, including breakdown of deliverables with deadlines and number of days per activity
- Contact details for two referees from where you have successfully carried out a feasibility study
- Availability and contingency in the event of sickness for sole traders

Your proposal will be assessed on pre-set criteria such as:

- Effectiveness of the proposal in addressing the requirements of the brief
- Evidence of the consultants skills and experience for the tasks required
- Evidence of consultants abilities to deliver to schedule
- Evidence of value for money

## **6. Contract Value**

The contract value is £10,000.

The consultant/s will report to Keith Wimbles, VAF Chief Executive, with final work signed off by the VAF Senior Management Team, and Trustees.

**Please submit your response to:**

Keith Wimbles, Chief Executive, [keith.wimbles@vaf.org.uk](mailto:keith.wimbles@vaf.org.uk) by 31 August midday.