

Fact Sheet 20 - Community Right to Challenge

The Community Right to Challenge actions the Government's commitment for public service reform to hand power from Whitehall and Town Halls to communities, and to "give communities the right to bid to take over local staterun services".

The Right to Challenge enables relevant bodies with good ideas about how they can deliver a local authority service differently and better, to challenge the local authority and if successful gives them a chance to openly compete to deliver that service.

The Right is one of three new rights within the Localism Act 2011, with the other two being Community Right to Bid and Community Right to Build.

Relevant Bodies

Any relevant body may enact the Right and approach a local authority in line with the provisions of the Act, through completion of an expression of interest. The Act defines relevant body as:

- A voluntary/ community body
- A body of persons or a trust which is established for charitable purposes
- A parish council
- Two or more employees of a relevant authority
- Any other person/ body as specified by the Secretary of State

Expression of Interest Submission

Only relevant bodies may submit a written expression of interest to deliver a relevant service on behalf of a relevant authority where they believe they can do so differently and better.

Relevant authorities may specify periods during which expressions of interest may be submitted in relation to a particular service, and may refuse to

consider an expression of interest submitted outside that period. Where a set period has not be specified then an expressions of interest may be submitted at any time.

Expression of Interest Requirements

A relevant authority may require the relevant body to provide the following information in an expression of interest:

- Details of any intended service delivery as part of a consortium or sub-contractor
- Financial resources
- Technical capacity to deliver the service
- Knowledge of the relevant authority's area to which the service relates
- Outcomes to be achieved and in particular how the social, economic or environmental wellbeing of the local authority's area will be improved and how the needs of the service users will be met
- Detail on how employees of the relevant authority who are effected by the expression of interest will be engaged

Expression of Interest Consideration

Relevant authorities must within 30 days after the close of any period specified or after receiving the expression of interest if no period has been specified notify relevant bodies in writing of the period within which it expects to make a decision.

Relevant authorities must consider an expression of interest and either accept or reject it, and may modify an expression of interest with the consent of the relevant body if it would not otherwise be capable of acceptance.

In considering an expression of interest a relevant authority must consider the social value of the interest, which is reflected in the Public Services



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(Social Value Act) 2012. Please see our <u>Fact Sheet</u> for details of this Act.

If the expression of interest is rejected the authority must publish its reasons for the decision. If the expression of interest is accepted the relevant authority must carry out a procurement exercise.

Procurement Exercise

If a relevant authority accepts one or more expression of interest then it must carry out a procurement exercise for the service, as appropriate for the value and nature of the contract that may be awarded as a result of the exercise.

The relevant authority must specify the period between an expression of interest being accepted and the procurement exercise starting.

The procurement exercise will be carried out in accordance with procurement law.