

London Borough of Camden – VCS Review 2010/11 An investment package for Camden's VCS

Note: this document sets out the Council's current thinking on investing and supporting Camden's voluntary and community sector from 1st January 2012. The approach has been developed in consultation with members but everything contained in the document is subject to Cabinet approval and should therefore not be read as agreed Council policy at this stage.

Introduction

The Council has consulted on a range of options on how it can best support local VCS organisations in the future, particularly against a backdrop of reduced public expenditure. The aim of the recent consultation was to try out some options for achieving this and allow Camden's VCS to help shape our thinking to create the best package of support for both sectors, and ultimately to meet Camden's needs.

The review has been set against a backdrop of financial challenge and uncertainty, and the council has been forced to meet this challenge through budget reductions across the vast majority of service areas. The C&E managed VCS funding and support budget is no exception, with a reduction of 28% (approximately £2.5m) against the current annual budget of £9m.

In light of these challenges, and the feedback received from response forms, consultation events and other forms of feedback, the council proposes to implement a package of support to VCS organisations that is based on **an investment approach, strengthens understanding of value, targets impact and change, promotes flexible funding relationships**, and puts **co-production** at the heart of the way both the council and VCS work together.

The investment package comprises of the following elements:

1. An outcomes-based fund to promote equality and cohesion in Camden
2. A Camden innovation and development fund
3. A community centres fund, supported by a dedicated cross-sector liaison group
4. An integrated programme of organisational and market development for VCS organisations, structured around a mixed economy of council and VCS support
5. A rent policy that recognises the wider social value and benefit of VCS tenants and supports them
6. An over-arching strategy for developing the relationship between the council, local VCS organisations and other public/private sector parties in Camden

This new approach to investing in and supporting VCS organisations, coupled with reductions in resources available for VCS funding and support, brings with it risks:

High Level Risks

- A reduction in the available budget will inevitably mean that some organisations that currently receive funding will not be successful in their applications
- High levels of expectation on what funding to the VCS can deliver against a backdrop of reductions across public services
- Despite targeting resources against those areas that have the greatest impact/value, the borough loses valued services as capacity to fund organisations is reduced
- Ensuring that smaller organisations are able to compete for funding on an equal footing with larger organisations

We will be meeting these risks through the over-arching strategy which will act as the link between the separate elements of the investment package and ensure a consistent and co-ordinated approach to how the council works with VCS partners going forward.

This paper outlines what each element of the proposed package is likely to mean in practice.

Please note that at this stage all fund amounts and grant levels are indicative and are subject to change

1. The outcomes-based fund – Promoting Equality and Cohesion

Summary: A fund with the purpose of meeting outcomes which promote cohesion and equality of opportunity amongst Camden residents

Amount proposed: £1m per annum (awards capped at £50k per annum for up to 3 years)

This fund would be open to all VCS organisations in Camden that can demonstrate that they can make a significant impact on improving equality and cohesion in Camden. Awards would be on an outcomes basis and capped at £50k per annum on a 1, 2 or 3 yearly basis.

The aim of the fund is to create equality of opportunity for vulnerable and excluded residents. 'Equality of opportunity' is understood in a broad sense to include economic well being, quality of life and life chances as well as access to services. Any VCS organisation would be eligible to apply for this fund, and the council would be open to exploring how different types of activity could deliver equality and cohesion outcomes e.g. the role of arts organisations, sports/physical activity organisations or, more community-led groups such as "friends" of parks or libraries.

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The fund would also allow organisations/projects to deliver preventative services that enable vulnerable and excluded residents to remain active and engaged in their local communities at a time when public sector service provision is being reduced. This could include, for example, supporting older or BME residents living in areas of acute health inequality to improve their health and wellbeing through community-based projects that promote healthy lifestyles and activity and at the same time strengthen cohesion and reduce isolation.

In addition to tackling inequality, the fund would be open to projects that promote cohesion for individuals and communities. The council (in partnership with community representatives) is working to define what cohesion means for Camden, and how as a Camden community we can support this.

The award process will require organisations to provide evidence of equality/cohesion needs in Camden, and proposed outcomes and activities by which these needs will be met. As each application is received, both the identified need and proposed solution will be verified by a panel of officers (sourced from any future Communities and Third Sector team, the Senior Commissioners Group and as well as advice and guidance on cohesion/equalities) to assess the likely success of the proposal. The council will support the process (where possible) through providing access to borough-wide statistics and analyses carried out by council services.

The process would be designed to allow the flexibility to identify opportunities with meaningful impact, and work with applicant organisations to co-produce the best outcomes for residents. If either the project submitted or the organisation itself shows investment potential, the council would commit to working with them to develop their bid.

Example:

- Scenario A: the idea proposed is judged to be an exciting and innovative way forward, however there are concerns over the financial sustainability of the bidding organisation. In this case, the council's organisational and market development support would be consulted to assess the sustainability of the organisation/initiative, and the benefits of deploying organisational support to develop the proposed activities. Where council support to grow the capacity of the organisation will deliver sufficient outcomes for Camden residents, the application would be progressed.
- Scenario B: an organisation with a strong track record and internal capacity submits an application for funding. Although the capacity of the organisation is strong, there are some doubts about whether the ideas within the submission will have the amount of impact anticipated by the organisation. The council (through appropriate officers) would meet with the organisation to shape and co-produce their proposal e.g. potentially linking it with other work-streams that are underway on a similar theme. If a joint approach can be agreed which satisfies that a positive impact will be made for Camden residents, then the application will be progressed.

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Once the bid has been provisionally accepted, the Communities and Third Sector team will work with the bidding organisation to put together a funding agreement. This will involve co-producing and agreeing the outcomes to be achieved, as well co-creating a set of outcomes-based indicators that will be able to evidence whether the provider has made an impact on the identified need.

This method will incorporate the flexibility for outcome reporting to be measured over periods other than a quarterly basis, according to what is appropriate for both the council and the organisation. This could mean 6 monthly or annual reports, or less formal methods of evaluation including officer visits to projects during the year.

As well as in-year monitoring and fund management, all funded organisations will be required to provide an annual evaluation on progress against their outcome areas and this will be collated by the Communities and Third Sector team into an annual Programme Evaluation report for CMT/Cabinet.

It is proposed that the council explores the possibility of commissioning an external evaluation of the programme in order to provide an independent assessment of the impact made through the fund and to identify learning opportunities for the future.

2. The Camden innovation and development fund

Summary: A fund with the purpose of developing new ideas and organisations that will tackle ingrained social problems in Camden.

Amount proposed: £500k per annum (awards capped at £50k per annum for up to 3 years)

Note: The council is exploring the details of how this fund would operate in partnership with Futuregov and Royal Society for the Arts (RSA).

This fund would be open to all VCS applicants. The main driver of this fund will be to identify and support emerging initiatives generated by VCS organisations that can help tackle ingrained/difficult to solve social problems in Camden, and make a significant impact on the quality of life of Camden residents.

The current financial climate presents the ideal time and opportunity for the council to re-evaluate how it tackles ingrained social problems in Camden and take a new approach to making a difference in these areas. The council recognises the breadth of success and innovation that resides within the borough's VCS population and the role it can play in significantly improving the quality of life for local people.

Therefore it is proposed to set up a fund which would be distributed to local organisations that can demonstrate that an initial investment from the council

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would result in a “step-change” in tackling social problems in Camden, and provide tangible benefits to the residents and public service providers.

All funding awards would be based on the likelihood of a significant social return on the council’s investment. Applicant organisations will have to evidence the need for 1, 2 or 3 year funding to achieve their proposed outcomes.

Where an organisation is successful in its application, it would not be able to apply for additional funding for the same project through the innovation fund. However, the council would work with successful organisations to identify sustainability opportunities, such as bidding for mainstream council contracts.

The ultimate aim is to take a much more targeted but “risk friendly” approach to funding VCS organisations, accepting that some investment might fail, but that there would be a better ability to build a much stronger evidence base and understanding of the of impact made in helping residents (the social return), and any other lessons learned.

It is also proposed that the council explores options for sourcing social investment to financially support the fund, develop different funding relationships within Camden, and to lever different forms of support from other stakeholders in Camden (e.g. Camden-based businesses).

Given the need to sufficiently evidence return on investment through this fund, it is proposed that the council explores the possibility of commissioning an external evaluation of the programme in order to provide an independent challenge to the impact made through the fund, to identify learning opportunities and to gain a stronger understanding of the social return achieved for the borough and for wider public sector provision.

3. The community centres fund

Summary: A fund with the purpose of building a community centre resource in Camden that is resilient, sustainable and fit to support Camden-wide community priorities, both now and in the future.

Amount proposed: £1.25m per annum (awards capped at £100k per annum for 3 years)

In recognition of the important role that community centres play in supporting community activities and services, promoting social cohesion and providing accessible space for communities to use, it is proposed that the council sets up a dedicated community centres fund.

The aim of this fund would be to develop the community centre resource in Camden so that it can meet the borough’s needs and priorities over the coming years, is resilient and sustainable during the more difficult financial climate, and that there are closer working relationships between community

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centres and the council to avoid duplication/confusion of services and to maximise impact for residents.

The council would make available “investment grants” of up to £100k per annum to community centres and “community anchors¹”. Applicant organisations will be responsible for evidencing the need for 1, 2 or 3 year funding to achieve their proposed outcomes. It should be noted that the community centres fund will have a limit and this may mean that some community centres currently funded by the council will not be successful in their applications for funding.

The investment grants would have the characteristics of “core-funding” to give organisations the flexibility to spend the grant as they see best. This could be to develop the organisation’s capacity or to invest in current/new activities that ultimately achieve the outcomes that they have identified for their communities.

Decisions on who would receive investment grants would be based on organisations’ abilities to demonstrate an understanding of needs within their catchment area and the impact they intend to have on these needs (either neighbourhood based or borough-wide). Applicant proposals would be verified against information and priorities identified by the council.

The council will agree outcomes in partnership with successful applicants according to the issues they have identified, as well as evaluation methods for demonstrating impact against these issues. Reporting will be on an annual basis and will not only cover the agreed outcomes but an appraisal of organisational development as well.

Applications for the fund would be in the form of an investment plan that not only outlines the expected impact on Camden specific social issues over the coming years, but also outlines plans for how the centre will develop its operational model to adapt to a financial climate where funding from all sources (including the council) could be reduced. There would be a requirement to demonstrate that the applicant organisation has the capacity to be sustainable beyond any 3 year investment by the council. This could be evidenced through (for example):

- Funding strategies
- Partnership working proposals
- Internal business plans
- Development of operating models
- Accommodation proposals
- Reference to the council’s community investment programme

In addition the council would be interested in hearing about proposals for the delivery of services/activities not traditionally associated with their community

¹ “Community Anchors” is a term that has been developed to expand the concept of community owned/driven organisations, places and activities. The Community Alliance has developed a number of characteristics associated with community anchors <http://www.comm-alliance.org/Communityanchors/>

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space. This could mean adapting space to house local start-up businesses, or striking up partnership arrangements with public services outside of children services or adult social care provision.

Any application received for funding from the community centres fund would also have to evidence how their organisation's activities would promote equality and cohesion in Camden.

Applications for investment would be assessed by a panel of officers comprising of representatives from the Communities and Third Sector team, the Senior Commissioners Group (HASC & CSF), Property Services, Community Investment Programme and officers working to understand how the total service offer for different communities across Camden. This cross-council approach will help provide a better assessment of where the best investment potential lies in relations to the council's own developments.

As part of the investment agreements, all funded organisations would be required to attend a liaison group with council officers every two months. Members of the liaison group would consist of representatives from the Communities and Third Sector team, Senior Commissioners Group, and Property Services, with extended invites to relevant officers across the council where required.

It is proposed that this group be co-owned, with equal representation from both community centres and the council, and that it be used as a forum to discuss challenges and issues in the borough and how working across the sectors can best address these challenges.

4. The organisational and market development offer (see appendix A)

Summary: An integrated programme of organisational and market development for Camden's VCS comprising of a mixed economy of council and VCS support. The aim will be to ensure that organisations in the borough are ready to meet current and future challenges, be they local, London-wide or national.

Amounts proposed: £350k per annum (for 3 years) as follows –

- A. O&MD consultancy budget**
- B. Commissioning of VCS infrastructure support, and commissioning of civic action/volunteering development**

It is proposed that the council sets aside money to resource an integrated programme of organisational and market development (O&MD) for Camden's VCS. There would be the freedom to co-create the delivery of the programme with commissioned VCS providers to ensure that offer is relevant to both VCS organisations and council commissioners.

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The aim would be to ensure that council investments in the VCS are supported, that the best outcomes are achieved through council relationships (funded or otherwise) with the VCS, and that the borough has a robust and able VCS, which can adapt to the changing needs and market demands within Camden.

Although there would be freedom to co-create the delivery of the programme, it is proposed that it would be structured according to 3 main elements which would work together to provide a coherent and co-ordinated mixed economy of support to organisations:

- a) A council-led O&MD team that would be responsible for working with council services and VCS representatives to develop a strategic understanding of the development needs of the VCS in Camden, and to direct resources accordingly. This team would also have responsibility for sourcing and brokering other forms of support for Camden's VCS (such as corporate social responsibility opportunities).
 - As part of this role, it proposed that a "consultancy" budget be managed by the council, in consultation with commissioned VCS partners, that would allow the flexibility to fund specific, targeted support to address up and coming developmental needs
- b) Commissioned VCS provision that would work with the council-led O&MD team to deliver direct support to organisations, develop market intelligence and work with organisations to broker new opportunities for the VCS to work with the council to meet the needs of residents,
- c) Commissioned VCS provision that would work with the council and other VCS providers to develop civic action and volunteering in the borough to promote cohesion and wellbeing, but also strengthen capacity within the borough to meet the needs of Camden residents. This could involve developing the potential of time-banking, mentoring and befriending in the borough to unlock new resources and empower local people.

Developing volunteering and civic action in Camden

Camden has a strong level of volunteering amongst its residents compared to the rest of London, and the borough is home to a number of innovative initiatives aimed at integrating volunteering into the way things are done to have a better impact for Camden residents. These include a number of "time-banks" (a method of improving the exchange of skills and resources amongst volunteers), befriending and mentoring schemes, and food co-operatives (such as the People's Supermarket in Holborn).

The council has been a strong supporter of volunteering projects in Camden, and it is proposed that it takes a more engaged and strategic approach to volunteering. This will involve commissioning support (potentially a bundle of initiatives) that balance the tension between ensuring that individuals benefit from volunteering activity, and harnessing the volunteering resource in Camden to build capacity within the borough.

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Any support commissioned by the council will be against a number of outcomes (agreed in partnership) that could cover the impact of volunteering on improving health and wellbeing, developing resources available to VCS and public sector organisations, or exploring opportunities to better integrate volunteering into the delivery of services. This will ensure that the council is clear on what its investment will deliver against (for either individuals, organisations or communities).

By linking the commissioning responsibility to O&MD, the borough could benefit from opportunities raised around market development (i.e. doing things differently) as well as sourcing organisational support for commissioned providers. Commissioned volunteering providers would also benefit from the greater “relationship management” emphasis that is being proposed through the council’s O&MD programme.

Support outside the O&MD programme

It would be the responsibility of all officers within any future Communities and Third Sector team to manage the relationship between the VCS and the council and championing across the council the potential benefits of working with VCS organisations. This would include identifying opportunities for working better across the sectors and facilitating relationships across council directorates.

5. The VCS rent policy

Summary: Retire the process for awarding rent grants, and replace with a dedicated rent policy for VCS tenants in council buildings which complements the council’s Community Investment Programme. The council will grant appropriate rent relief to those organisations aimed at directly benefiting Camden residents, while at the same time working with VCS tenants to unlock the value of council property to help fund vital services in Camden.

Amount proposed: £950k per annum for three years

It is proposed that the council implements a policy for VCS tenants with the express aims of providing suitable and affordable premises for VCS organisations in Camden, while at the same time unlocking the value of the council’s property assets. The policy would be open to all VCS organisations occupying council-owned properties whether they have a commissioning/funding relationship with the council or not.

VCS organisations considered by the policy would fall under one of three categories that would be determined by how much their services/activities directly benefited Camden residents. Each category would carry a different level of rent relief. These categories would be:

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- A. Mainly local VCS organisations where more than 90% of services/activities delivered from the property directly benefit Camden residents. Rent-relief granted = 100%
- B. Part local VCS organisations where 50-90% of services/activities delivered from the property directly benefit Camden residents. Rent-relief granted = 50%
- C. Regional/National/International VCS organisations where less than 50% of services/activities delivered from the property directly benefit Camden residents. Rent-relief granted = 0%

Note: % thresholds for categories are indicative and would be subject to the discretion of the assessment panel

All VCS organisations wishing to take advantage of the rent-relief categories under the new policy will be required to sufficiently evidence which category they fall under. This will include evidencing **both** the percentage of activities that benefit Camden residents, **and** how those residents benefit.

To be eligible to receive rent-relief, tenant VCS organisations will need to –

- A). sign a lease agreement with the council
- B). agree to support and work with the council on its Community Investment Programme (recognising that the property they occupy could be subject to sale or redevelopment by the council)

If an organisation chooses not to sign a lease agreement, the council will deem that property open to offers and would have the right to enter into an agreement with an organisation that is willing to sign a lease agreement.

The council is committed to drafting lease agreements that support the development of the organisation and its services (such as longer leases to help funding bids), while at the same time introducing appropriate break clauses which would complement any future Community Investment Programme developments, as well as provide reassurance for VCS trustees.

Determining the eligibility of a VCS tenant

In determining whether a VCS tenant falls under either category A, B or C, it is proposed that a panel of council officers and VCS representatives is responsible for assessing applications and agreeing the appropriate rent-relief category.

It is likely that the areas of contention for potential VCS tenants will be:

- Whether the organisation qualifies as a VCS organisation for the purposes of the rent policy
- Whether the proposed percentage of activities directly benefiting Camden residents is accurate
- To what extent Camden residents benefit from the activities carried out by the organisation

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The panel could be composed of the Head of the Communities and Third Sector Team, a representative officer from the Senior Commissioners Group, and VCS representation sourced from the Strategic Liaison Group.

Complementing the Community Investment Programme

In order to meet the wider financial challenges faced by the council, a Community Investment Programme is being pursued to ensure that each property owned by the council is used to its maximum value either through the development of the property, or through ensuring that the right tenants are in the right properties.

This could mean that some VCS organisations find that they occupy buildings that the council decides would provide better value to Camden residents through being used differently (including sales and significant redevelopments). Where this transpires, the council will commit to consulting with the tenant organisation on any development plans and working with them to find appropriate alternative accommodation where necessary to ensure that valued services for Camden residents are not lost.

6. Working together: better approaches to commissioning from and working with the VCS

Summary: Any future Communities and Third Sector team to be the lead service for promoting the role of Camden's VCS in improving the lives of residents, brokering relationships between council departments and VCS organisations, and overseeing the implementation of an action plan to ensure all VCS organisations have fair access to opportunities to work with the council.

Amount proposed: no specific budget allocation

Whilst it is true that the council has strategies in place which offer an outline commitment for working with the sector and supporting it, the review has highlighted complex and varied practice on the ground. This is not surprising given that the voluntary and community sector has different relationships with the council including delivery partner, tenant and civic organiser.

The review has shown how VCS organisations often find council procurement, commissioning and monitoring processes disempowering and distracting. It has highlighted inconsistency and inefficiency in some aspects of these processes (for example in contract monitoring and outcomes measurement). It has shown how the council needs to work harder to help VCS organisations understand council processes and motives, and how it needs to work harder to understand the VCS more fully (for example not just as a contracted provider of services). Finally, it has shown how council communications and messaging with the sector are not always productive and can feel paternalistic and overbearing.

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One of the key tensions identified for the council has been between maximising financial value for money (in procuring services) and maximising social value (delivered by VCS organisations in promoting cohesion, inclusion and collective action). The challenge of reconciling this tension is an important insight from the review, especially in the context of significantly reduced public spending and the negative impacts this is likely to have on Camden's communities.

The entire investment package outlined above is designed to help meet this challenge, however in order for the package to have the council-wide (indeed borough-wide) impact that is required, any future Communities and Third Sector team will have to drive the need for both council departments and VCS organisations to work in a different way.

This team will be vital in acting as a "bridge" between VCS providers and council officers; helping colleagues to understand the potential of Camden's VCS population and helping VCS organisations understand and navigate council structures, policies and processes. By developing strong links between both sectors it will be possible to develop an ethos and vision for Camden's VCS that is shared across the sectors, and champion how our local VCS can add impact and value.

The team will also have a vital role in evaluating how the council interacts with the VCS and making sure that processes (e.g. commissioning and procurement) are both accessible and consistent. This includes developing more positive communications across all directorates and key services (in line with what the Compact already says about this).

In order to achieve this, an action plan has already been developed in consultation with the Senior Commissioners Group (a group of lead commissioning officers from across the council). Specifically, it is proposed that the council, the VCS and other partners strengthen their collaborative and partnership working according to the following work areas:

- 1. Develop an overall ethos and vision for the sector.** The council will work with VCS representatives and across service departments to develop a shared commitment to working together which encompasses (though not exclusively) the following elements:
 - Development and sustainability of a vibrant VCS in Camden
 - Maximise positive impact on quality of life in the borough
 - Encouraging local engagement and active citizenship

How will we deliver this? Example actions

- Refine the headline commitment with Compact Steering Group members and the council's Senior Commissioning Group as part of the review of the Compact planned for early 2011

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- Work in partnership with infrastructure organisations to communicate the agreed vision widely within the sector and across relevant council teams and services
- Work in partnership with infrastructure organisations to raise the profile and promote the importance of the Compact among all key stakeholders
- Complete annual 'state of the market' surveys in partnership with infrastructure organisations to measure perceived effectiveness of the council's support
- Strengthen the role of the Communities and Third Sector team in communicating the VCS perspective, addressing policy and process issues and championing the VCS where appropriate

2. Develop transparent, consistent commissioning and monitoring processes. This includes working together to develop the skills and insights needed to:

- Ensure that across its functions the council deploys shared ways of working and common approaches where appropriate and that it takes a 'one council' approach to learning and development
- Make sure that VCS organisations are able to understand, access opportunities in and navigate the council's new procurement operating model
- Make sure that the new procurement model is knowledgeable of the wider VCS market and that social value considerations are included in procurement processes – basically do what we say we will do!

How will we deliver this?

- Use the council's Senior Commissioning Group (SCG) to implement the VCS commissioning and procurement action plan that was developed as part of the VCS review.
- Agree a work programme with infrastructure groups and the SCG to drive forward learning and development on such areas as outcomes-based commissioning and co-production (i.e. working together with VCS organisations, the council and Camden residents to design and deliver services)

3. Enable individuals, groups and communities to shape the design and delivery of services and take part in policy making. This includes working together to develop the skills and insights needed to take forward the commitment to:

- Facilitating the use of co-production and outcomes based commissioning where appropriate
- Identify, demonstrate and take into account the added social value that the sector can bring to service delivery
- Support local volunteering and collective civic action to build capacity in Camden and foster good working relationships with and among communities (for example innovative approaches such as time banking)

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- Support frameworks for VCS organisations to take part in key decision making bodies

How will we deliver this? Example actions

- Agree a work programme with infrastructure groups and the SCG to drive forward learning and development on outcomes-based commissioning (OBC) and co-production.
 - Hold workshop sessions for commissioners, procurement officers and the VCS to clarify expectations for including social value considerations in procurement and other key opportunities in procuring from the sector
- 4. Ensure that effective, targeted resources are in place to support organisational and market development.** This includes advice and support to new and emerging organisations and to impactful organisations that are experiencing new challenges (such as personalisation) or are temporarily in crisis.

How will we deliver this? Example actions

- A more co-ordinated and targeted approach to sourcing organisational development support (see section 4)
- 5. Maximise the effective use of limited human and physical resources.** This means developing a programme of collaborative working (between the VCS, the Council and other partners) to:
- Explore opportunities for the sector to access council suppliers in areas such as IT
 - Develop a coherent programme to support and encourage partnership and consortium working
 - Support innovative ways for organisations to share resources (for example via the Camden Shares model)
 - Explore opportunities for greater community control and management of council buildings, for example as a way of more effectively managing repair and maintenance costs and levering in greater investment
 - Identify opportunities for the sector to develop cross-borough working (for example Better Care Choices)

How will we deliver this? Example actions

- In partnership with infrastructure groups and relevant council colleagues, run tailored educational, market research sessions on partnership models (for example sessions with VAC and CSF exploring area based partnership models for delivering youth outcomes)
- Bring together a representative sample of VCS organisations with Communities and Third Sector and Property colleagues in a series of workshop sessions to explore and develop possible solutions for giving organisations more control of community spaces
- Use the Community Centres Liaison Group to build on existing tactics for sharing resources among community centres and other VCS organisations

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- Work with local VCS infrastructure groups to understand the potential of a Camden Community Foundation and the role the council can play in facilitating its growth

Guiding principles

As well as the key priorities listed above, we propose four overarching, guiding principles to define the council's whole relationship with the VCS:

- Fostering a more collaborative, equal relationship with Camden's VCS, based on investment, understanding value and more joined up approaches to challenges and solutions between directorates and across sectors
- Focusing council support (financial or otherwise) on success and innovation across Camden's VCS to reduce public service demands/costs
- A commitment to measuring outcomes, impact and gaining understanding on what is being achieved as well as what is being done
- Promoting sustainable income streams for Camden's VCS through promoting enterprise, practicing full cost recovery (FCR) on council contracts, and exploring new funding/investment models

These principles will define the "how" in developing new approaches to commissioning and supporting organisations, and will be the yardstick against which we will be held accountable both by the sector and by ourselves.

Both the priority areas and the principles will be further refined as part of the planned work in December and January to collaboratively renew the Compact between the VCS and its partners.

National context

We will look for opportunities for Camden's local VCS that might flow from the newly published Localism Bill (including those that might enable communities and civil society organisations to take more control of local decisions, spending and assets), the newly published Modernising Commissioning Green Paper (which aims to increase the role of charities, social enterprises, mutuals and cooperatives in public service delivery), and the forthcoming Public Services (Social Enterprise and Social Value) Bill (which proposes to require all contracting authorities to consider economic, social and environmental value in commissioning).

7. Supplements to the main VCS investment package

Discretionary Rate Relief (DRR)

In the Medium Term Financial Strategy, Cabinet approved the introduction of stringent criteria that weight awards in favour of organisations with a local focus for 2011/12.

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The budget for DRR had been increased for 2009/10 and 2010/11 pending policy changes for 2011/12. These changes have been delayed until 2012/13 to enable the value of the council's investment in DRR to be considered in the VCS Review, as DRR is one of the ways that the council supports and invests in the VCS. All costs for DRR will be met from Culture and Environment's existing budgets in 2011/12.

For 2012/13 onwards, the proposals being developed by the Council will make broader, more fundamental changes to DRR policy. The proposals would mean that DRR, save in exceptional circumstances, would only be awarded to:

- organisations that are not funded or commissioned by the Council
 - whose activities are focussed at Camden residents
 - are delivering services against priority themes
- and that the maximum amount of DRR awarded will be capped.

Advice Review and VCS Funding

As part of the 2007-2011 VCS funding programme, the commissioning of advice services features heavily under the Access to Rights category and in other funding categories.

Across the council, there is currently a corporate review of the provision of advice to residents in Camden in order to find a more co-ordinated approach that has greater impact for those in the borough who need it.

In order for any future VCS commissioned provision to be in line with the findings and implementation of this advice review, it is proposed that an amount of money from the Communities and Third Sector budget be transferred to whichever service takes on responsibility for the provision of advice services in Camden. This sum of money will be ring-fenced to commission services from the VCS that complement the wider strategic approach to advice provision in Camden.

London Councils Grants Scheme

The VCS related budgets held by Culture & Environment also include the council's contribution to the London Councils Grants Scheme. All 32 London boroughs and the City of London are legally committed to be members of this scheme, contributing a level of funds in proportion to each borough's population level. Camden Council cannot opt-out of the scheme without a similar move from 21 other boroughs.

For 2011/12 London Councils has amended the grants scheme so that there is a concentration on funding London-wide services and the scheme will cease to fund cross-borough and local services from 30th June 2011. This amendment has resulted in a cost saving for Camden of approximately £400,000. This saving is part of the savings identified in the Medium Term Financial Strategy.

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The amendment will also result in a loss of services for Camden residents provided through cross-borough arrangements. The council will consider these service reductions against the needs of residents and address them wherever possible through current and future commissioning.

Emmanuel Vincent Harris Trust and Edward Harvist Trust

Alongside the main C&E managed funding programme, the Communities and Third Sector team is responsible for administering applications to the Emmanuel Vincent Harris (EVHT) and Edward Harvist trusts. These trust funds are independent of the council's finances, but are managed by the council.

Priorities for EVHT have been set until 2011/12 under a Single Member Decision of the Cabinet Member for Resources. It is proposed that from 2012/13 that both EVHT and Edward Harvist are managed in such a way as to complement the council's main VCS funding programmes. This could be through providing transitional grants to VCS organisations that want to change their operating model to reflect the needs of the borough, or as a small grants fund for those organisations/initiatives that aren't of sufficient scale to be included in the main funding programmes.

The Compact

A Compact, which recommends ways of working between the council (and other public sector organisations) and the VCS, was first instituted in 2004. Since then there have been reviews to keep it up to date and relevant. The principles outlined above will be considered in the upcoming review of the Compact. An updated Compact will be formalised during 2011.

The Communities and Third Sector Team

The council team currently responsible for managing VCS funding and relationships will be reviewed in accordance with the agreed package and budget reductions.

8. Equalities Impact Assessment (EIA)

An EIA is being carried out and is an ongoing process until the final proposals are agreed. Since September 2010 the Communities and Third Sector team have been developing the EIA, with the findings anticipating a significant impact on 5 of the 6 EIA characteristic strands listed below. The development of the final support and investment proposals has been heavily influenced by the findings of the EIA.

Race

Depending on new priorities and level of funding, BME VCS organisations could be disproportionately affected, possibly leading to some organisations closing. The overall budget allocation for community centres may reduce,

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which could affect all communities, including white working class. Approx 11% of the previous funding programme allocation was directed at organisations working mainly on activities/services impacting BME communities.

Gender

Many services provided by the VCS are accessed by women, often disproportionately when compared to men, and the concern voiced by the Fawcett Society that women will be 2.5 times more impacted than men by the national cuts should be noted in this context. Trans people may also be affected if the funding of LGBT VCS is reduced. BME/migrant and older women may also be affected if new priorities are subject to change. Approx 6% of the previous funding programme allocation was directed at organisations working mainly on activities/services impacting this characteristic.

Age

Many services delivered by community centres or specialised groups focusing on disability, race and age are subject to reductions across the council as outlined in the Medium Term Financial Strategy. In addition to council contracts for the direct provision of services to older and younger people through VCS organisations, many organisations (including BME, community centres and disability groups) receive core funding from C&E and could therefore be affected. Approx 11% of the previous funding programme allocation was directed at organisations working mainly on activities/services impacting on this characteristic.

Disability

Changing priorities may disproportionately affect people with disabilities by the potential reduction in funding for services and organisations prioritising these issues. These groups often influence to enforce DDA requirements on access as well as ensuring delivery of targeted services. Approx 4% of the previous funding programme allocation was directed at organisations working solely on activities/services impacting this characteristic.

Faith

We do not currently prioritise faith based organisations in terms of priorities/criteria but focus on services, some of which may be delivered by faith based organisations.

Sexual Orientation

Changing priorities could disproportionately affect Camden lesbian, gay or bisexual communities as well as transgender people (usually defined by the gender characteristic). Community Safety review could potentially reduce funding targeting the reporting of homophobic/transphobic hate-crimes. Just over 1% of the previous funding programme allocation was directed at one

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organisation working solely on activities/services impacting this characteristic. Discrimination and fear of disclosure often stops people from openly defining as lesbian, gay, bi-sexual or transgender so overall cuts will affect these communities as well as making it difficult to monitor the impact.

Wider Consultation Feedback

Consultation so far has identified the following broad concerns:

- Equality groups will be disproportionately affected by cuts in funding and changes in funding criteria.
- Equality organisations being smaller and more reliant on volunteers will need increased support and development in order to compete with more 'mainstream' VCS organisations.
- 'Communities of interest' should be considered within the funding for community centres.

Timetable

21 February 2011 (tbc)	C&E Scrutiny Committee consider the proposals
23 February 2011	Cabinet consider commissioning intentions (this will be the overall investment package and principles, not who gets what funding)
Feb – early March 2011	Officers finalise new funding package
March-August 2011	Commissioning / procurement and assessment of applications
September 2011	The proposed allocations (to individual organisations) are determined and reviewed in consultation with Cabinet
End of September 2011	VCS organisations receive details of individual funding agreements
	Organisations also receive advice of contract end, where applicable
31 December 2011	Existing C&E contracts end
1st January 2012	New C&E funding agreements start