

Camden Council and Camden's Voluntary and Community Sector

Investing in a Sustainable Strategic Relationship



Consultation Paper

23 September to 4 November 2015



Contents

Foreword	4
About this consultation	5
The strategic relationship – how should the Council and the VCS work together in the future?	7
The VCS Investment Programme proposals	8
The Strategic Partners Fund	9
Community Impact Initiatives	11
General eligibility criteria for the VCS Investment Programme	12
Transitional support	13
Helping the sector to develop	14
Other proposals to improve the strategic relationship between the Council and the VCS	15
Neighbourhood profiles	16
Expected timetable for future VCS investment	17
Interim arrangements	17
Appendix A: Investment zones	18-19
Appendix B: The current financial relationship between the whole Council and the local and national voluntary sector	20-21
Appendix C: The 2012-2016 Voluntary and Community Sector Investment and Support Programme	22-23

Foreword

We have a strong civil society in Camden. Despite the cuts from central government, the Council is seeking to maintain one of the largest Local Authority investments in the VCS, as a testimony to our belief in what the sector delivers for our residents. In a borough where people come from all over the country and all over the world with different ideas, cultures and needs, our voluntary sector is the glue which holds us together. We have never believed the Council can tackle our growing inequality alone. It is the responsibility of wider society and we want to keep supporting that.

Whether it is the family whose benefits have been sanctioned and needs food, or a resident who is isolated with mental health problems, the voluntary sector in Camden is there serving the community and involving residents as frontline volunteers, board members and mentors.

This is financially a very difficult time for local government but as a Council we invest and commission £37m a year with the voluntary and community sector to make our communities more resilient. This consultation paper sets out proposals for an unprecedented and radical seven year investment programme which relates to just over £5m of this overall spend. However, we know our relationship with the sector is about so much more than this and this paper also offers wider proposals designed to strengthen our relationship and make all of our investment work harder for our residents.

We want residents to be at the heart of all our investment. We want to make sure that our money is targeted at need and at our different communities. We want to base this on deprivation data, but also encourage small grassroots organisations who understand what is changing on the ground. We want to empower our residents and build connectivity and solidarity.

We have had long conversations with our local charities, both those we fund and the many we do not.

They do not want us to continue putting money into historic relationships. They want to work more in partnership with us, and to be able to be commissioned for service provision where there are large sums of money to be unlocked. Strengthening and building the capacity of the sector will be critical to achieving this ambition. Some of the suggestions of how we intend to do that are in this paper.

We also want views and ideas about setting up a fund which would pay for large collective projects across the borough, where voluntary groups, large and small, could work alongside public sector partners, as well as the private sector to deliver solutions to intractable problems together.

This consultation is one stop on an ongoing journey and conversation. We thank you in advance for your time and feedback.



Councillor Sally Gimson, Cabinet Member for Adult Social Care and Health (including Voluntary and Community Sector commissioning)

About this consultation

The conversation with the voluntary and community sector (VCS) began in December 2014 with a number of events to set the scene. Following guidance from organisations we spoke to, a number of options were developed which we used to engage with many more organisations between May and July 2015. One hundred and six people from 84 voluntary sector organisations, of which 26 were groups not currently funded by the Council, gave their time generously. Our thanks go to Voluntary Action Camden for their support in reaching groups who do not have a current financial relationship with the Council. Alternative ideas were also submitted by Voluntary Action Camden, C4 (Camden Community Centres Consortium), individual community centres and others. Responses can be seen in full at www.camden.gov.uk/vcsengagement.

This consultation paper draws on key messages from those conversations across the voluntary and community sector, as well as extensive engagement with the parts of the Council that commission services from the sector. We have also drawn on the evaluation of the Council's current VCS Investment Programme which can be found at www.camden.gov.uk/vcsconsultation. Based on all of this, this consultation paper gives a single set of proposals for consideration.

What are we consulting on?

This is a formal consultation on the Council's future VCS Investment Programme and how that programme can best support our relationship with the voluntary sector. The consultation begins on 23 September and runs until 4 November.

We have mapped out the Council's current overall investment and commissioning with the VCS in Appendix B, and the VCS Investment Programme in Appendix C. The new proposals in this paper are focused on those parts of that funding which are currently used for:

- Rent Relief
- Community Centres core funding
- Open Spaces for Young People core funding
- All project funding

A consistent message from the sector was that while funding for the VCS is greatly valued, there is a 'bigger prize' if we improve how we work together. Therefore we are also looking for feedback on how we make the relationship between the Council and the sector work harder for residents. This paper proposes shared objectives so that we can measure our progress together. The questions in the paper also aim to further our understanding and improve our approach. This will be an ongoing conversation and will not end with this consultation.

We are **not** consulting on:

- The advice and welfare contracts also managed by the Council's Communities and Third Sector team
- Proposals for infrastructure support of the sector – see the section 'Helping the sector to develop'
- The VCS lease for those organisations occupying Council premises – the principal Head of Terms were previously agreed by the Council's Cabinet in October 2012 and subsequently finalised in August 2013 following engagement with VCS tenants.

How do I respond?

This consultation document puts forward the Council's proposed approach. To respond, please complete the questionnaire available at **www.camden.gov.uk/vcsconsultation**. We have posed questions on areas where we are particularly looking for feedback. However, a section in the questionnaire also allows you to comment on any other aspect of the proposals.

Please submit your answers by 5pm on Wednesday 4 November 2015.

There will also be three events for those who want support to understand the proposals. Details will be available at **www.camden.gov.uk/vcsconsultation**. We will also post any clarifications or updates on that web page.

If you have queries, or need this document in easy-read, large print or another language, please email **vcs@camden.gov.uk** or call on **020 7974 5021**. If you want to respond by post, see the back of this document.

What will happen next?

A report containing feedback from this consultation will be presented to the Council's Cabinet in December for a decision on the proposals including an initial reduction in the budget for the VCS Investment Programme from £5.8m to £5.1m. Some parts of this consultation are not specifically linked to the decision on funding for the VCS Investment Programme, but it will all be considered as part of the Council's decision making. An Equalities Impact Assessment is being undertaken which will also be submitted to the Cabinet to inform their decisions.

The strategic relationship – how should the Council and the VCS work together in the future?

What voluntary sector organisations have told us so far:

- The sector provides considerable social value. For example, it supports volunteering, creates apprenticeships, gives communities a voice, helps with prevention, and brings significant non-Council funding into the borough.
- Investment in our communities should be based on need, not restricted by historic financial relationships.
- We can work together to make better use of physical assets across the borough, whether they are owned by the Council or others.
- Access to ‘core’ or ‘keep the lights on’ funding is important as it enables organisations to do more for residents, but it should be fairer and more transparent.
- Equalities groups and communities of interest are key to solving problems and currently cannot access core funding support from the Council.
- We need to improve the link between Council investment in the VCS and the way the Council commissions services. For example, in home care or public health services.
- Partnership working is the way forward but it shouldn’t be bureaucratic.
- Engagement with the sector should be ongoing and inclusive of, for example, smaller groups.
- Longer term funding will deliver better outcomes for residents.

Our proposed approach

Having listened to the sector, there is a clear consensus that we should put residents at the heart of what we all do and focus our **shared resources** on **better meeting resident need**.

Drawing on feedback from the VCS and from across the Council, we believe there are **three key objectives** for a new, more strategic relationship:

- Increase the opportunities for VCS expertise and knowledge to inform the design and delivery of services so that we can improve outcomes for our residents.
- Maximise the use of property assets, including the 100 Council premises occupied by the VCS, to better deliver services and to encourage sharing of space.
- Build resilience in our communities by collaborating to make the most of the added social value which the VCS brings, including attracting new funding into the borough.

The VCS Investment Programme proposals

The proposed new budget for investment into Camden's VCS is £5.1m per year. The following presents proposals for how to apply approximately £3m of this, composed of:

- The Strategic Partners Fund
- Community Impact initiatives



The Strategic Partners Fund

Estimated size of fund: £1.5m to £2m per year

A fundamental principle of the Strategic Partners Fund is to target funding to parts of the borough and equalities groups that have the highest need. This will in part be informed by the data contained in the Indices of Multiple Deprivation which are produced every few years by central government. These Indices are also used to decide the amount of funding which the Council as a whole receives from central government to address those needs.

To help us understand how best to focus investment we have combined the 22 neighbourhood profiles we have developed (see the section 'Neighbourhood Profiles'), and created eight investment zones. The Indices of Multiple Deprivation will help us to understand the levels of investment needed in each zone. We will also be analysing borough-wide equalities information to assess needs. This means there may be some movement in funding from one part of the borough to another, when compared to how funding is currently allocated.

Questions:

Do you agree that funding should be targeted to where the need is across the borough? Yes/No.

Are there factors other than the Indices of Multiple Deprivation we should take into account when either determining need or allocating funding?

**Do you have any comments on the eight investment zones?
(see map in Appendix A)**

To be Strategic Partners, organisations or partnerships would need to show why they are best placed to deliver outcomes around inequalities, either at a local level or at a thematic, borough-wide level.

- **At local level** – Organisations or partnerships would need to support and strengthen one of the eight investment zones, providing space for delivery of community services, having reach into marginalised communities, promoting inclusion, and attracting inward investment.
- **At thematic, borough-wide level** – Organisations or partnerships would work across Camden to address one or more of the following equalities characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, or sexual orientation, or the needs of socially marginalised groups.

Wherever possible we want to encourage a partnership approach in which VCS organisations combine their compatible skills and strengths to meet the identified needs.

*The Indices of Multiple Deprivation measure very local deprivation in terms of crime, employment, living environment, health and disability, barriers to housing and services, income, and education skills and training.
<https://www.gov.uk/government/collections/english-indices-of-deprivation>.

Strategic Partners would need to show that they:

- Understand inequality needs in a Camden community or communities
- Provide services and/or support to meet those needs
- Work in partnership to meet those needs
- Are willing to share space with other organisations where possible
- Act as a voice for a community
- Act as a bridge between a community and mainstream services
- Are willing to share information
- Maximise community assets (for example, volunteers)
- Provide policy and strategy support and advice to the Council and other statutory bodies to enable better delivery of services to a community
- Are willing to explore digital solutions, where appropriate

What can the funding be used for?

Awards are for core funding and are unrestricted. This means that organisations can choose how they use the funding to best meet the outcomes for a particular neighbourhood or equalities group.

How long will the funding awards be for?

The ambition is for funding to be awarded for up to seven years with a reduction over that period. This reduction would be linked to the funding provided to the Council from central government, which is linked to the Indices of Multiple Deprivation, and which we expect will continue to reduce.

Questions:

Do you think this funding proposal will tackle inequalities in Camden?

We are open to receiving applications from both individual organisations and partnerships. What are some of the issues we need to consider here?

What support if any would you need from the Council in order to be able to form a partnership?

We value the input and experience of the sector in informing Council policy and strategy. What more could the Council do in order for you to be able to do that?

What can we do to support small organisations to be involved in partnerships?

How can we help smaller equalities groups to connect with one another?

Do you think that there should be a cap on the maximum amount that any one organisation can receive from the Strategic Partners Fund?

Do you have any other comments on the Strategic Partners Fund?

Community Impact Initiatives

Estimated resources: up to £1m per year

During the summer engagement with the VCS, concerns were raised about partnership approaches that could be bureaucratic and limit the ability of smaller organisations to get involved. However, greater partnership working was also a common theme, as was the understanding that in some cases public sector resources could be better used if the VCS were more involved in the solution.

Community Impact is an approach we want to develop with the sector, to bring together the combined resources of the VCS, Council, health and private sector partners to tackle ingrained problems. Every problem will be unique, as will the activities and investment needed to solve it. Developing shared objectives, shared outcomes and having the ability to share data to measure progress would be key characteristics of the approach. Inclusivity would also be a key principle, ensuring that small VCS organisations have a strong role. The Council would also be very open to the VCS identifying problems that would be suitable for a Community Impact approach.

We fully understand that this way of working will require a lot of preparation and support. But we think it is important to develop this approach at a time of decreasing funding and increasing need.

Community Impact Initiatives would vary in duration. We expect that there would be between one and three initiatives taking place at any one time during the seven years of the new VCS Investment Programme.

Community Impact initiatives could be:

- Geographic – for example, improving a particular local area
- Thematic – for example, tackling childhood obesity or promoting employment for people with mental health conditions
- Both - a specific issue in a specific neighbourhood

Organisations participating in Community Impact initiatives will be subject to the general criteria explained below.

Questions:

Which social problems would a Community Impact approach be helpful in tackling?

Do you think this is an effective way of tackling ingrained problems in Camden?

Do you have any other comments on the proposals for Community Impact Initiatives?

General eligibility criteria for the VCS Investment Programme

Any voluntary sector organisation applying for funding would need to demonstrate that they:

- are a registered charity and a company limited by guarantee
- are based in Camden or have a track record of delivering services for Camden residents
- have good governance and include their service users in how they make decisions and run their services
- have up-to-date policies for safeguarding, health and safety, financial procedures and valuing diversity and equality
- have a recent set of accounts that comply with Charity Commission guidelines
- have liability insurance

To be eligible for any Council funding or commissioning opportunities, including S106 or the Community Infrastructure Levy, organisations occupying Council premises will need to have completed a lease, where the Council determines that is appropriate.²

Transitional support

It is the Council's intention to no longer have a specific fund for Rent Relief for those VCS organisations who occupy Council properties. Feedback from the earlier engagement suggests that many in the VCS do not view Rent Relief as transparent or fair, especially as it forms an increasingly large proportion of a decreasing Council VCS investment budget. It is also not currently strategic in terms of meeting equalities and prevention priorities.

We recognise that this will require a change of business model for many organisations. As an interim measure, a package of transitional support will be made available to a number of organisations who currently benefit from Rent Relief. These will be organisations which the Council considers to be delivering key services and where transitional support is demonstrably needed while the cost of rent is being built into future business plans.

Transitional support may also be made available on a case-by-case basis to those organisations which currently receive Rent Relief but are unsuccessful in applying to the Strategic Partners Fund.

In all cases, we propose that this support is in place for up to three years only. During that time, recipients will be expected to develop future business models that enable them to pay rent in full.

Organisations who receive transitional support will be subject to the general criteria explained above.

²The Community Infrastructure Levy enables councils to collect funds from property developments to ease their impact on transport, schools, medical facilities, open spaces etc. www.camden.gov.uk/cil.

Helping the sector to develop

We know that to maintain a thriving VCS it is important that groups enhance their capacity in fundraising, governance, and other aspects of running an organisation. Help to do this is often called 'infrastructure support'.

Reductions in the funding the Council receives from the Government means we are proposing a smaller staff resource within the Council to support the VCS in this way. The current VCS Investment Programme uses a 'funder-plus' model of in-depth organisational development for organisations who are funded through the programme, explained in Appendix C. A recent evaluation, which you can see at www.camden.gov.uk/vcsconsultation, found that this approach also strengthens organisations' relationships with the Council. We need to consider how best to use the 'funder-plus' approach in future.

As explained in Appendix C, the Council also currently commissions external infrastructure support from Voluntary Action Camden and Volunteer Centre Camden. A review of infrastructure support is currently being undertaken by London Councils and London Funders, and we want to take this into account when revising these arrangements. We therefore propose to commission external infrastructure support on a short term basis, while we design with the sector the right support for a seven year programme.

Other proposals to improve the strategic relationship between the Council and the VCS

Maximising commissioning opportunities, use of premises and social value

- **Better links between the Council's overall spending and the VCS** - The Council has established a Strategic Commissioning and Procurement Board. This is made up of senior officers from different Council departments. One of its aims is to encourage more Council commissioning and procurement from the voluntary sector – particularly the local voluntary sector. This work is in development but will involve a forward plan showing future commissioning and procurement opportunities and including Social Value in how applications are assessed. We are also exploring how funding from other sources, such as the Community Infrastructure Levy, could be spent on local organisations.
- **Bringing external investment into the borough** - This will become increasingly important as we have less money to spend. As well as continuing to work together to attract funding, the Council will work with the VCS to understand challenges which the Council cannot fund, so we can be ready to take advantage of new external funding opportunities when they arise. We also aim to develop a new initiative independent of the Council, similar to Islington Giving, which could attract new funding from a broad range of 'givers', including Corporate Social Responsibility opportunities.
- **A continued focus on volunteering** - We will maintain and grow the great culture of volunteering which exists in the borough. Promoting and celebrating the rich benefits for individual skills and wellbeing, as well as community resilience and cohesion.
- **Establishing a VCS advisory group** - We want to work together with the voluntary sector to deliver the best service we can for the residents of Camden. We therefore propose to form an ongoing advisory group to carry through the aims outlined in this consultation, and to support us with the detail of a number of the proposals. We would like the group's composition to reflect Camden's diverse VCS and also include representatives from across the Council. It would focus on jointly agreed issues, such as how to increase the amount of money the Council spends with local organisations, and would help the Council to understand the pressures on the voluntary sector.

? Questions:

So that the VCS Advisory Group reflects the diversity of the VCS in terms of type, size, service and funding relationship with the Council, organisations could perhaps nominate themselves for the group under different categories. What are your views on this?

Are there any other steps the Council should take to improve the strategic relationship with the VCS?

Neighbourhood profiles

During the past year the Council has begun work to get a better understanding of neighbourhood needs in the borough. We have divided the borough into 22 neighbourhoods that are based on how residents identify and move about in their local areas. Using all the data and available information we have then created profiles for each neighbourhood. These can be used by the Council, VCS, funders and other partners to understand the needs and assets in a neighbourhood as well as providing useful statistics when applying for funding. These 22 neighbourhoods have been combined to create the eight investment zones shown in Appendix A.

The information will be available on the Camden Open Data site in the autumn, once the 22 profiles are completed and updated with the 2015 Indices of Multiple Deprivation.

Questions:

We want to improve how we use data about who accesses services and what their needs are. We think data-sharing to help service design is the way forward, but we want to strike a balance.

Would you be willing to input data about services and users into a shared database? Yes/No

Expected timetable for future VCS investment

December 2015 – Council Cabinet decision on these proposals and on VCS Investment budget reductions

End of January 2016 – Launch of the Strategic Partners Fund application process

April 2016 – Deadline for Strategic Partners Fund applications

May 2016 – Award decisions

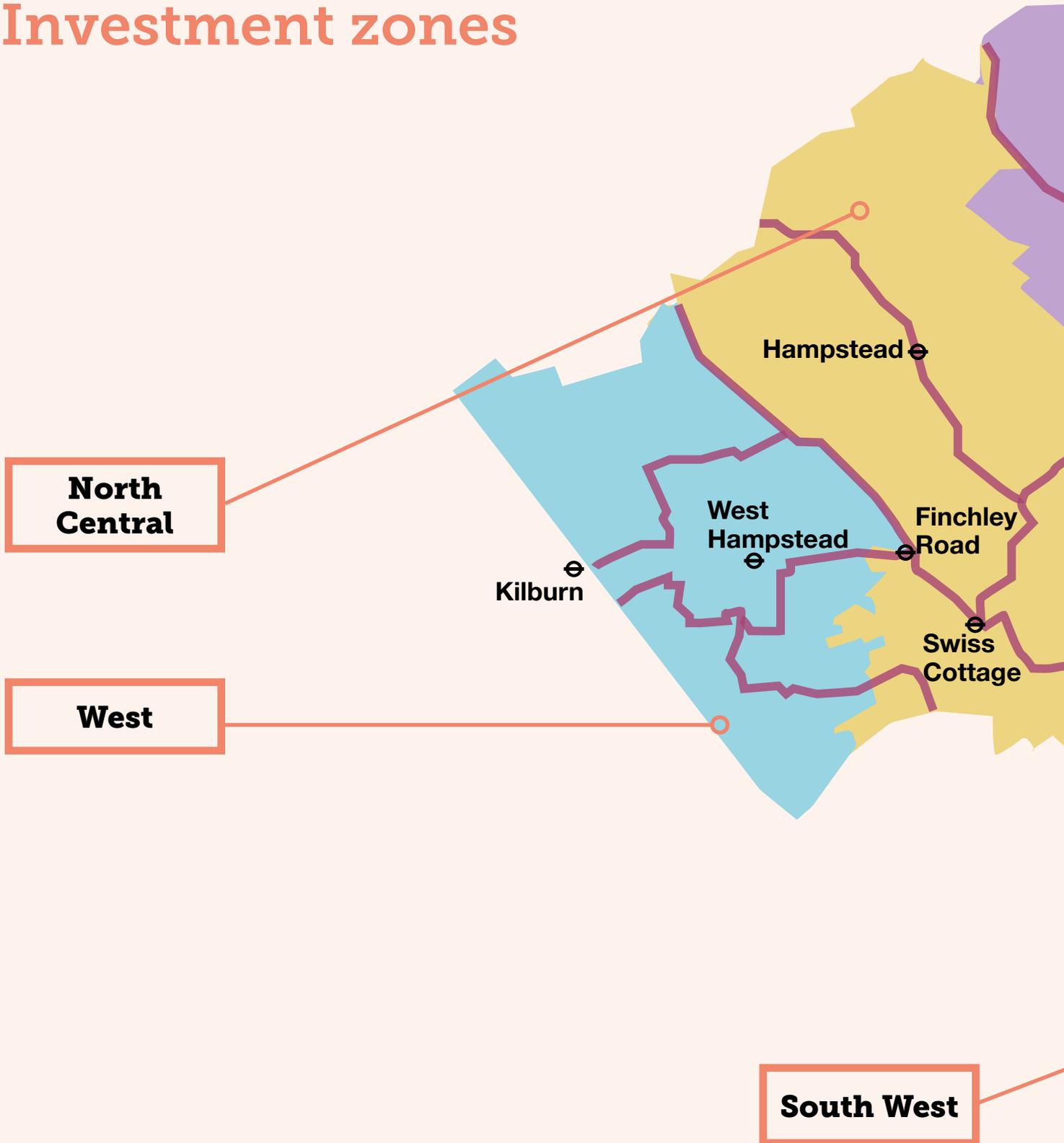
January 2017 – New funding arrangements in place

Interim Arrangements

Organisations currently in receipt of Communities Centres funding, Open Spaces for Young People funding, and those currently benefiting from Rent Relief will have these funding arrangements extended for the nine months up to 31 December 2016 at current levels of funding.

An equalities assessment is being undertaken in relation to the investment application process. This will identify key equalities groups who are currently funded by the Council to deliver projects and who may be at risk due to that funding ending in March 2016. These will be dealt with on a case-by-case basis.

Investment zones





The current financial relationship between the whole Council and the local and national voluntary sector

- According to the Council's database, the Charity Commission and the Council's database of commissioned services, there are about 542 voluntary and community sector organisations located in Camden that deliver services primarily to Camden residents.
- The Council currently has over 350 funding agreements (contracts, grants etc) with over 200 voluntary organisations, including London-wide and national groups. The Communities and Third Sector team holds the funding relationship with 84 mainly local organisations.
- The total current annual Council spend on commissioned services is £230m. Not including in-year spending on spot-purchasing, direct payments and some framework payments. Of this, £37m (16%) is spent with the voluntary sector, of which £18m is spent with national charities or Registered Social Landlords. This overall spend breaks down as follows across different Council directorates:
- Out of a current annual spend on commissioned services of £53m, the Council's Culture and Environment directorate spends over £7m with over 110 voluntary sector organisations. The VCS Investment and Support Programme run by the Communities and Third Sector team accounts for over 80% of this. The rest includes Community Safety work such as gang prevention and supporting survivors of domestic violence, and Economic Development work to help people into employment.

- Out of a current annual spend on commissioned services of £40.2m, the Council's Children, Schools and Families directorate spends over £11m with nearly 80 voluntary sector organisations. This is spread across Commissioning and Partnerships, Family Services and Social Work, Integrated Youth Support Service, Integrated Early Years Service and the School Improvement Service. The rest is spent on Strategy and Performance, Property and Contacts and Special Educational Needs and Psychology.
- Out of a current annual spend on commissioned services of £109.6m, the Council's Housing and Adult Social Care directorate spends approximately £15m with nearly 60 voluntary sector organisations. Largely for supported living, hostels and sheltered accommodation services, mostly delivered by national charities or Registered Social Landlords. The rest is spent on community provision including advice, advocacy, support for carers, and personalised care services delivered to individuals (e.g. some home care and day opportunities).
- Out of a current annual spend on commissioned services of £26.8m, the Council's Public Health work involves spending £3.8m with 12 voluntary sector organisations. Of this, most is for treatment for drug and alcohol misuse. The rest is spent on sexual health services including support for people living with HIV, and sexual health promotion.

The 2012-2016 Voluntary and Community Sector Investment and Support Programme

This programme is run by the Council's Communities and Third Sector team with a budget of £5.8m in 2015/16 (a reduction of £1m from 2014/15). Except for the contribution to London Councils, this spend is discretionary, which means the Council is not legally required to make it.

Outcome-focused project funding:

VCS organisations apply to the following funds to run time-limited outcome-focused projects.

- Equalities and Cohesion Fund: to increase access to services, improve life chances and build more resilient communities. £800,000 in 2015/16 (£1.59m in 2014/15 when more projects were live).
- Innovation and Development Fund: for innovative ideas that tackle ingrained social problems. £60,000 in 2015/16 (£422,000 in 2014/15 when more projects were live).
- Volunteering, Giving and Exchange Fund: for projects that recognise the crucial role that volunteers already play in the borough, including mentoring, befriending and time-banking. £0 in 2015/16 (£84,000 in 2014/15 when projects were live).
- Volunteering Small Grants: distributed by Volunteer Centre Camden. £0 in 2015/16 (£80,000 in 2014/15 when projects were live).

Other investment and support:

- Organisation and Market Development support by the team: 'funder-plus' capacity-building for organisations who receive funding under the programme. To improve governance, fundraising, strategy etc. £50,000 in 2015/16.
- Organisation and Market Development support by Voluntary Action Camden and Volunteer Centre: Contracts to provide 'infrastructure' support to the whole local voluntary sector. £286,000 in 2015/16.
- Rent relief: enables 53 VCS organisations to occupy 70 Council-owned premises without paying rent. £1m in 2015/16.
- Discretionary Rate Relief: for voluntary organisations who pay business rates and whose services meet Council criteria (www.camden.gov.uk/drr) but are not funded by the Council. £50,000 budget in 2015/16.
- Community Centres Fund: funds 17 centres to develop facilities to meet resident needs. Often used for costs such as the director or administration. £1m in 2015/16 (£1.165m in 2014/15).
- Open Spaces for Young People Fund: funds five organisations to provide facilities for children and young people. £300,000 in 2015/16.
- London Councils Grants Scheme: obligatory contribution to a central pot which is distributed directly to London's voluntary sector. Camden organisations receive more than the Council contributes. £245,000 in 2015/16.
- Advice: contracts with four organisations until 2017, possibly 2019, to provide advice to residents about welfare benefits, immigration, employment, and housing. £1.212m in 2015/16 (£1.13m in 2014/15).

How to respond to this consultation

In this paper we have asked several questions. Your answers to these will be used to inform decisions about future investment and support for the voluntary sector and decisions about the wider relationship between the Council and the sector.

The questions are gathered together in an online form at **www.camden.gov.uk/vcsconsultation**. You can also send your answers to the freepost address below.

Please submit your answers by 5pm on Wednesday 4 November 2015.

If you have queries, please email **vcs@camden.gov.uk**. We will post any clarifications on the webpage above.

If you would like an easy-read or large print version of this document, or need it to be translated into another language, please email vcs@camden.gov.uk

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