

Camden Council and Camden's Voluntary and Community Sector

Investing in a Sustainable
Strategic Relationship

Foreword

Camden is a great place, but we want to make Camden an even better borough – a place where everyone has a chance to succeed and where nobody gets left behind.

The work of the local voluntary and community sector (VCS) is enormously important in improving the lives of local people and providing the help they need. We recognise and value what the VCS can do and we are asking you to help us develop a new and sustainable strategic relationship between Camden Council and the VCS. This document is a vital next step in the process, and we are committed to asking you to help us consider options and develop an approach to take out to formal consultation.

Our strong current relationship allows us to work together to help and support the people of Camden. We want to build on our strengths and through continued investment in the sector, find new ways of working to get the best results for our residents. Our services need to work side-by-side with local people and communities. They need to be underpinned by our core values of collaboration and co-design with a local VCS that can advocate for, represent and amplify the voices of service users, carers and communities. We need to use and share all the resources at our disposal – social action, volunteering and community resources as well as money and buildings.

We must focus on the issues that matter most to local people and which will have the biggest impact on improving their lives. We know our current approaches to partnering, funding and commissioning do not always support these outcomes and need to be improved. In turn, the sector must recognise and address variations in quality and effectiveness.

Overall, we need to collaborate better, share risks, rewards and resources as well as work in pursuit of common, agreed and measurable goals.

We've come a long way in recent years in the face of ever tightening budgets. However, while we will continue to be a significant investor in the VCS and commissioner of services from the VCS, our funding from central government will have been cut in half by 2017. Unfortunately, that means change is unavoidable.

But change can present opportunity.

We know that short-term funding does not provide stability and that our commissioning and procurement processes are often seen as inaccessible.

At engagement events in December 2014 and January 2015 you told us we could be doing more to foster strategic and equal relationships with VCS partners. We share that aspiration. We have to find new and better ways of working together.

That is what this document is all about. It takes on board your comments and sets out four different approaches for the future. We want to explore those options with you in more detail over the next few weeks, to look at how the different options might work and any barriers to be overcome. We can then decide on the approach needed to support and strengthen our relationship in these challenging times.

I encourage you to take the time to read this document and respond to us with your thoughts.

Cllr Abdul Hai,
Cabinet Member for Customers,
Communities and Culture

Investing in a sustainable strategic relationship: what are we trying to achieve?

This document supports the engagement process with the VCS to design a new strategic relationship. This will set the context for how we spend the money we have available for discretionary support for the local VCS.

Whilst we are setting out four different approaches that we could take in the future, the aim of the engagement is not to choose one option. The aim is to engage with interested stakeholders to look at the strengths and weaknesses, as well as risks and opportunities of each approach.

We are not consulting on the options. They form the basis for developing and co-designing one agreed option that we will take out to public consultation later in the year. In this way, we are designing our future relationship together with our partners.

From this process we want:

- To develop the best option for a strong and sustainable strategic relationship between the Council and VCS
- To ensure our future investment with the VCS achieves the best results for our residents and communities.

A two stage process: engagement and consultation

There are two stages to this process.

This, the first, is an engagement period. During the engagement period we will work together with you to:

- Look at the four broad options set out in this document
- Look at their potential pros and cons
- Further develop each option to see how it might best work
- Achieve support for a final option to consult on.

During the engagement period we will run a number of events as well as discussing the proposals at existing forums and groups. We also welcome online feedback to the questions set out at the end of this document on pages 12 and 13.

Timetable

The engagement programme will run for a period of eight weeks, from 18 May to 12 July.

We will use the feedback from the engagement to develop a preferred option. There will then be a public consultation on that option. A consultation document clearly explaining the proposed option will support this process.

The consultation process will run for six weeks.

After the consultation process has completed, recommendations will be sent the Council's October Cabinet for decision.

Who will this affect?

The impact of change in this area is potentially very broad given the wide ranging role of the VCS in delivering services to, advocacy for and connectivity with the local community. Any changes eventually made could, therefore, have an impact, on anyone using VCS services. However, the most direct impact will be on those organisations that receive funding through current arrangements – in particular:

- Organisations currently in receipt of funding to maintain community assets through the Community Centres Fund and the Open Spaces for Young People Fund
- Organisations that occupy Council owned properties and are in receipt of rent relief awards contributing to part, or all of their rental costs
- Organisations that either provide or receive infrastructure support through Camden's Organisational and Market Development contracts
- Organisations whether previously, currently, or potentially seeking short-term project funding.

In addition, the broader themes and ambitions we have for our future relationship with the VCS are of direct relevance to the following groups:

- VCS organisations that are active in the borough but receive no financial support (direct or indirect) from the Council
- VCS organisations with a commissioning relationship with the Council to deliver local public services. It should be noted however, that none

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of the options set out in this document propose changes to the existing commitments to any individually commissioned services, including those organisations currently contracted to deliver Camden's advice services through the Camden Advice Partnership.

A summary of how the Council currently uses its resources to support the VCS is set out in Appendix one.

What you have already told us

We believe that our current approach to investment has strengthened both the resilience of the local VCS, and also our relationships with local VCS partners.

But as we have said earlier, things are going to have to change. We wanted to learn what people thought was good and what needed to change, so we held engagement events in December 2014 and January 2015 so we could hear from local VCS.

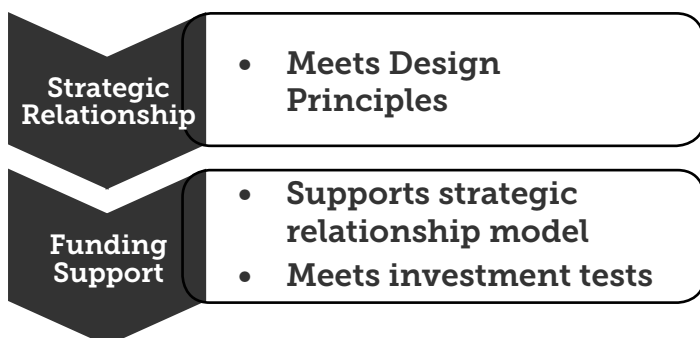
You gave us some important feedback and we used this to develop the design principles that have informed the four options we are now asking for your feedback on.

A summary of previous engagement feedback is in Appendix two to this document.

Principles for a new strategic relationship

We have used what you have already told us to develop design principles to underpin a future strategic relationship, as well as for how we spend our money with the VCS.

The design principles define what we want the strategic relationship to look like and achieve. Where we provide funding to support the VCS it should both support the strategic relationship model and meet Camden's investment tests. This is illustrated below:



Principles for a new strategic relationship:

Making a difference

This means that our activity should be:

- ▶ Focussed on Camden Plan outcomes, not on measuring activity
- ▶ Evidence based.

Working together

This means that our relationship should be:

- ▶ Strategic, with the delivery of the Camden Plan at its core
- ▶ Simple, transparent and equitable
- ▶ Flexible, allowing both the Council and VCS to adapt to evolving challenges
- ▶ Inclusive, not restricted by historic, current or future financial relationships.

Supporting each other

This means that the resources we make available should be:

- ▶ Sustainable, where funding fosters positive long-term relationships with a clear sense of purpose
- ▶ Moving away from short-term funding
- ▶ Holistic, where support and investment are co-ordinated to get maximum value
- ▶ Linked to the best possible use of physical assets across the borough, whether they are owned by the Council or others
- ▶ Used to provide a stronger link between our support to the VCS and our commissioning of services.

The questions at the end of the document ask you to consider each option against how well it meets these principles and Camden's investment tests.

Investment tests for how we spend our money

camden.gov.uk/vcsengagement.

Camden's approach to less money from government funding is not simply to reduce budgets across the board but to align how we spend our money with the outcomes we want to achieve.

In July 2014, Camden's Cabinet agreed four 'investment tests' to help us make the best possible choices on where to focus our spending in the future. These are:

- Tackling inequality
- Focus on outcomes
- Invest in early intervention where possible
- Make every pound count.

These investment tests will need to be applied to our spending to support our relationship with the local VCS, just as it is with other spending across the Council.

Full descriptions of our tests for how we decide on spending are set out in Appendix three.

Options for a new strategic relationship

Using the principles, we are putting forward four possible options for a future strategic relationship and financial support.

These options are for discussion and debate with you during this period of engagement, so that together we can arrive at a model that we agree offers the best opportunity for the Council and its VCS partners. It will be that option that we take to formal consultation later in the year.

During this process, we expect the options to be reshaped and refined, and we will provide updates as this happens.

Future strategic relationship: options

Four options for our future strategic relationship are presented here. Two are variations on current arrangements, and two present new ideas for Camden. Each option is described with commentary about how it could work ('What this might look like') and questions for you to consider and respond to either at engagement events or online at www.

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Option A

Keep the broad structure of the current VCS Investment and Support Programme (with project and non-project funding – see Appendix 1). But with reduced funding and with a greater emphasis on aligning to Camden Plan priorities and borough-wide commissioning intentions.

What This Might Look Like

Working together

There will be opportunities to strategically agree which Camden Plan priorities should form the basis of any outcome-based funding programme.

What difference will we make?

By aligning our funding directly according to Camden Plan outcomes, we will be better able to maximise our impact, with a mixture of Council-based services and VCS projects/activities, working together and sharing insights in order to make a demonstrable difference.

How we will support each other?

Brokering of better relationships between mainstream commissioning activity and related VCS activity. Opportunities for cross-sector insight conferences, where emphasis is less on monitoring and more on sharing localised and borough-wide intelligence to influence service delivery, and also better data sharing to support and target our activity.

Question specific to this option:

With a reduced budget allocation how do we strike the right balance between the funding streams set out in Appendix 1. Where should the reductions be made?

Option B

This option is based on the retention of financial support through non-project funding streams only. This option does not support a continuation of a project funding approach (as is the case for option A).

- **Please refer to Appendix 1 to this document for more information on current project and non-project funding streams.**

What This Might Look Like

Working together

We would fund those organisations that contribute to a thriving, sustainable and resilient Camden community rather than supporting short-term or time-limited projects.

What difference we will make?

Together we will be working directly with communities and responding to their needs and priorities within the context of the outcomes set out in the Camden Plan. Impact is likely to be around connecting different residents/communities in Camden and promoting civic activity so that people are better able to help themselves in a time of reduced public service delivery.

How we will support each other?

As in option A, but our relationship would be less about monitoring and more about showcasing those organisations we invest in to as many people in Camden as possible.

Questions specific to this option:

What criteria should we use to identify which organisations should receive non-project funding such as rent relief, rate relief and community centres funding?

What should be provided in exchange for such support?

Rent Relief questions: these relate to both options A and B

Our policy on Rent Relief enables 53 VCS organisations to occupy 70 Council premises rent free. The cost of this approach is almost £1 million each year.

Questions: we would like to know your views on whether:

Our approach to rent relief is the correct one?

Is it equitable?

How this significant investment could be more directly linked to achieving the outcomes of the Camden Plan?

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Options C and D involve newer concepts than **options A and B**. The greater detail set out for these options reflects this rather than an intended preference for these options.

Option C

A 'Collective Impact' model, where partnerships are developed and funded around a specific Camden-based challenge/theme.

What Is Collective Impact?

Whether funded by the Council or not, there are a significant number of VCS organisations working to improve the lives of Camden residents. However, they too often work in isolation (from each other and from statutory services), seek to support the same client groups in uncoordinated ways, and often use their resources (including physical space) inefficiently. Collective impact brings organisations together, in a structured way, to achieve social change. In our case, the social change we want are outcomes set out in the Camden Plan.

There is no single model for a collective impact initiative, but they are defined by a number of characteristics or 'conditions' including:

Backbone Support: an organisation provides the 'backbone' to create and manage the collective impact initiative, providing support and co-ordination for participants. The backbone organisation supports but does not 'own' the initiative.

Common Agenda: all participants have a shared vision for change, a common understanding of the problem and an agreed joint approach to solving it.

Shared Measurement: collection of data and measuring results consistently across all participants ensures efforts remain aligned with and focussed on the chosen outcome. Participants hold each other to account.

Mutually Reinforcing Activities: activities of participants need to be aligned to the stated aims and objectives to be 'more than the sum of their parts'. However, the activities of individual participants should be identifiable and measurable.

Continuous Communication: consistent and open communication between all participants is needed in order to build trust, keep the focus on mutual objectives and create a common motivation.

What This Might Look Like

Working together

In practice, each collective impact initiative will be a partnership that will mean the Council and the VCS (and others), working together to agree a priority, and to identify partners from across all sectors to collaborate around making a demonstrable difference on an agreed outcome. A key element of this model is a move from nominal partnership working to genuine cross-sector collaboration to support shared working and deliver shared goals.

We will identify a key strategic partner to provide the 'backbone support' described above. Funding will specifically be to act as a 'backbone' rather than for the delivery of services.

A backbone organisation would be expected to deliver:

- A network of VCS organisations who are able to work together to address a key theme (or a number of themes in a geographical area)
- A strategy for achieving the outcomes agreed
- A strategy towards achieving sustainability through fundraising
- A plan for developing and supporting the partnership and the organisations within it
- A plan for brokering the sharing of assets, services and facilities within the network.

What difference we will make?

We will be concentrating our reduced resources on making a significant impact on a particular Camden social challenge. This will enable us to better chart and assess the difference we have made, as well as allow us the confidence to say we have succeeded and change the focus of our investment to the next priority.

For example, a collective impact initiative could come together to become more than the sum of our parts rather than a series of uncoordinated projects and services. From the perspective of residents in need this should provide a (virtual) one-stop shop for services and support from a range of providers, reducing their requirement to navigate through a maze of services via 'referral'.

How we will support each other?

The Council will focus on building stronger borough-wide/cross-sector partnerships who in turn will be better placed to engage with the commissioners and other strategic partners around the borough, attract external funding, share assets more effectively and maximise the impact of our disparate activities.

? Questions specific to this option:

How do you select the partner to act as a backbone organisation?

Should the collective impact initiative be geographic or thematic?

How are potential partners identified in a collective impact approach?

How would smaller groups or communities of interest be able to interact with a number of collective impact approaches across the borough?

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Option D

Using option C as its basis, this is also a 'Collective Impact' model based around a specific Camden-based challenge/theme. However, in this option each collective impact partnership is allocated a budget.

This approach is an alternative version of option C and would work in a similar way. However, each collective impact initiative (the partnership, rather than the backbone organisation), would be allocated a budget with which to commission or provide services that they believe will achieve the agreed outcome(s).

The Council would support this with information on local need, reviews of evidence based approaches and other forms of support.

? Questions specific to this option are the same as option C. Further questions for your views on are:

Should our resource reward success? Should success against the agreed outcomes bring extra investment and failure to meet outcomes disinvestment?

What is the most appropriate governance model for ensuring resource is utilised fairly and effectively?

Cross-Cutting Issues

The four options outlined above cover widely differing approaches to a future strategic relationship between the VCS and the Council. However, there are further issues that are important but are not specific to any one option. Again we want to develop our approach to these issues by working with you, so we will progress these discussions whichever of the options we take forward.

Commissioning and Procurement: when our services are delivered by local organisations we are investing in Camden people and communities. We want to make sure that our commissioning and procurement processes involve and are accessible to local organisations including the VCS.

This will include:

- A mechanism for VCS input in identifying need
- A mechanism for VCS input into service design
- Reviewing our approach to social value at service design/specification, and at bid assessment
- Considering and promoting different approaches to VCS involvement in service delivery and ensuring they are considered at design stage
- Further work on our procurement processes to ensure they are VCS-friendly.

? Question:

What do we need to do to make our commissioning and procurement processes more accessible to the local VCS?

Stimulate and support the local VCS

Current support to the sector delivers targeted organisation and market development support for individual organisations. This is provided by both the Council's Communities and Third Sector Team, and through services commissioned from Voluntary Action Camden and Volunteer Centre Camden.

As we develop our overall strategic relationship by developing the options set out in this engagement document we will need to consider how we best support the overall approach. Specifically, we wish to consider how we better link organisational development support to our commissioning strategies and activities.

The VCS also tell us that small amounts of Council funding often attracts further inward investment. We want to explore if we can systematically benefit from this approach. We wish to explore setting up a 'revolving fund' that 'loans' seed funding to support organisations to securing inward investment for services at full cost. That investment could then be used to pay back the loan to the fund which could then be reinvested in the sector. This approach would need to complement similar initiatives such as Camden Giving and Camden Hive.

We will also support the sector by sharing our data whenever possible and we wish to discuss with you what the sector needs and how this is best achieved.

Tell us your views?

Throughout this document, we have asked questions about the areas we've looked at, the conclusions we've made and the options we have put forward for your consideration.

We would be grateful if you would take the time to provide responses to the questions in this document.

Your feedback will be used to challenge our findings to date and shape the consultation option for our approach to the VCS and the investment approach required to support that.

Respond online

You can send us your feedback to:
www.camden.gov.uk/vcsengagement

Respond by email

You can email your responses to:
vcs@camden.gov.uk

Or respond by post:

**Communities and Third Sector
7th Floor
Freepost RSLT-RJBR-TXAA
London Borough of Camden
Town Hall
London
WC1H 9JE
Tel: 020 7974 5021**

Questions:

We want to invest our organisation development efforts into organisations that can be our providers of the future. Is this the right approach?

Would a 'revolving fund' be of interest?

How might it work?

What data would be useful to you?

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Tell us your views

We need your input to help us design an investment and support offer that fosters a stronger, more sustainable strategic relationship with local VCS partners; and, helps us understand where to focus our limited resources in the years to come.

To do this, we would like you to answer the questions we have posed throughout this document. They are presented again here.

? Questions for ALL options:

How does this option meet the design principles and investment tests set out in this document?

How does this option work for different sizes and types of organisations and their funding relationship with the Council (including those not funded by the Council)?

? Questions specific to Option A

With a reduced budget allocation how do we strike the right balance between the funding streams described in Appendix 1? Where should reductions be made?

? Questions for options A and B

What criteria should we use to identify which organisations should receive non-project funding such as rent relief, rate relief and community centres funding?

What should be provided in exchange for such support?

Rent Relief:

The questions relate to both options A and B.

We would like to know your views on whether:

- **Our approach to rent relief is the correct one?**
- **Is it equitable?**
- **How this significant investment could be more directly linked to achieving the outcomes of the Camden Plan?**

? Questions specific to Options C and D

Should the collective impact initiative be geographic, thematic or a combination of both?

How do you select a partner to act as a backbone organisation?

How are the partners in a collective impact approach identified?

How would smaller groups or communities of interest be able to interact with a number of collective impact approaches across the borough?

? Questions specific to option D only:

Should our resource reward success? Should success against the agreed outcomes bring extra investment and failure to meet outcomes disinvestment?

What is the most appropriate governance model for ensuring resource is utilised fairly and effectively in Option D?

Commissioning and Procurement

? Question: **What do we need to do to make our commissioning and procurement processes more accessible to the local VCS?**

Stimulate and support the local VCS

? Questions:

We want to invest our organisation development efforts into organisations that can be our providers of the future. Is this the right approach?

Would a 'revolving fund' be of interest?

How might it work?

What data would be useful to you?

About who you are

Camden's local VCS is tremendously diverse and we want to be able to represent the views across this diversity in our analysis.

To help with this, could you please tell us about you/ your organisation.

We will only use the information you tell us to analyse the responses to this engagement process, and will not use it for any other purposes.

Your name:

Your organisation:

Do you currently have a financial relationship with the Council?

Yes No Not sure

If yes, please state what funding you receive

What would you say is your geographical remit? (tick all that apply)

Neighbourhood Ward Borough
 Regional National International

Are the communities your serve mainly locality based, or are they communities of interest?

Locality based Community of interest

What is the size of your organisation (by turnover)?

Feedback

If you want to be kept informed about the results of this engagement process please make sure we have up to date contact details for you/your organisation:

Name/organisation:

Email/telephone:

If you are replying by email or post, please include the information about who you are with your response.

Thank you

Many thanks for taking the time to have your say and tell us your views on this important issue for the Council and the local VCS.

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Appendix 1: Current Funding Arrangements

This engagement process is about the future relationship between the Council and the VCS rather than being specifically about funding. But Council funding does in part shape the current relationship between the Council and the VCS, and future funding will support the new approach.

Currently there are two funding streams that act to define the relationship between the Council and the VCS.

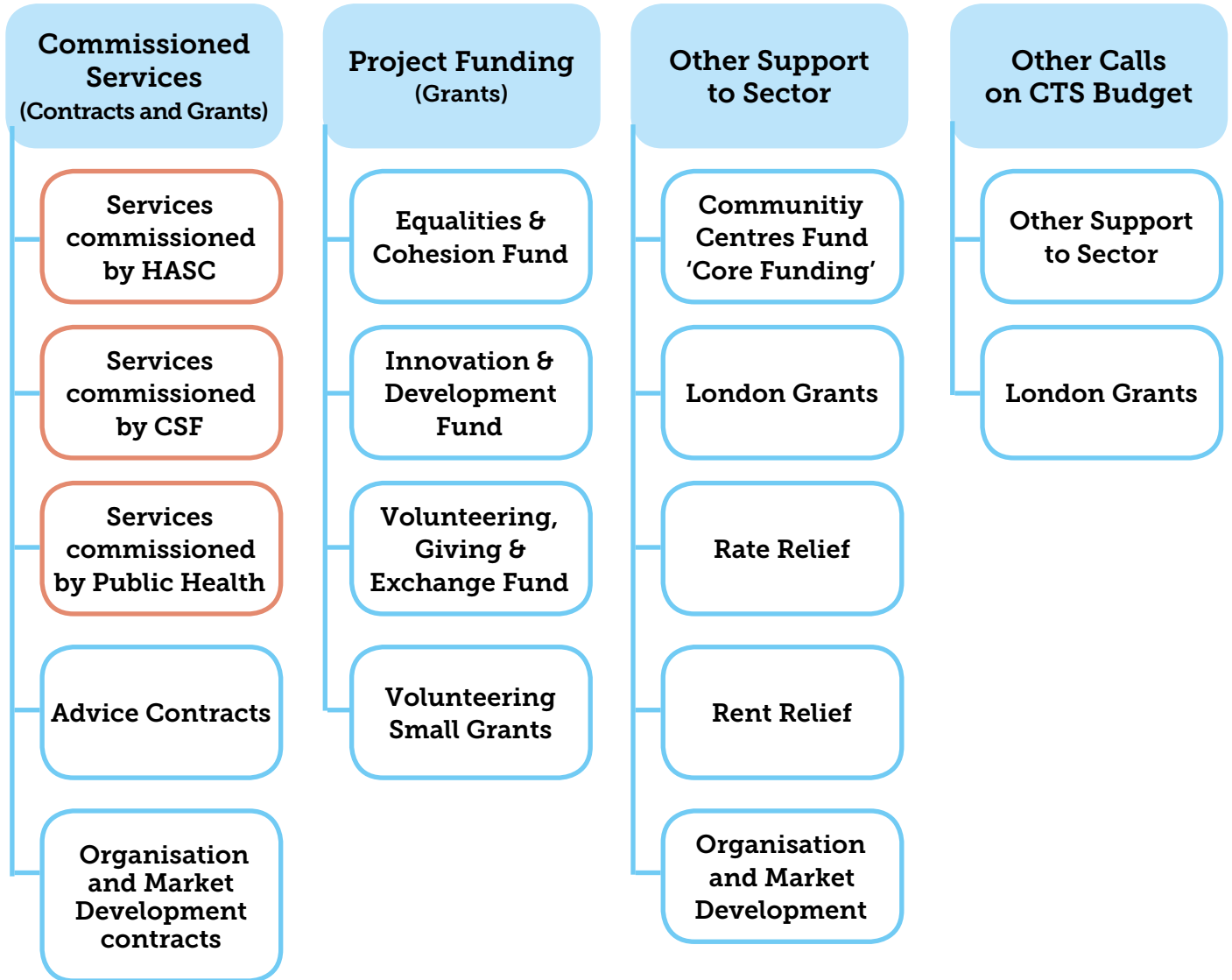
In the first, the Council commissions services. The commissioning approach is characterised by the identification of specific need, the specification of a service and then a process to identify the services best and most cost-effective provider for that services.

The second approach is focussed on discretionary funding to support the VCS. This is the Communities and Third Sector (CTS) Programme. It is made up of several funding streams with different criteria.

- **Projects:** time-limited activities which have different end-dates during the programme period. Project funding pots are usually characterised by a broad set of needs or outcomes that form the basis of funding allocations that are awarded on a competitive basis through 'invitations to bid'. The common usage of the term 'grant' refers to funding of this type. In the majority of cases recipients appreciate that once a project is finished the funding finishes, although an aim of many projects will be continuation through other funding sources. These project streams are funded until March 2016.
 - ▶ **Equalities and Cohesion Fund:** projects that increase access to services, improve life chances and build more resilient communities in Camden.
 - ▶ **Innovation and Development Fund:** established to find and invest in innovative ideas that tackle ingrained social problems in Camden.
 - ▶ **Volunteering, Giving and Exchange Fund:** projects that recognise the crucial role that volunteers already play in the borough, supporting activities such as mentoring, befriending and time-banking
 - ▶ **Volunteering Small Grants:** distributed by Volunteer Centre Camden.
- **Organisation and Market Development support:** organisation and market development support for individual organisations provided by the Council's Communities and Third Sector Team.
- **Organisation and Market Development contracts:** also referred to as infrastructure contracts, these are commissioned services from Voluntary Action Camden and Volunteer Centre Camden, secured to March 2016.
- **Rent relief:** enables 53 VCS organisations to occupy 70 Council-owned premises, secured to March 2016.
- **Discretionary Rate Relief:** for VCS organisations paying business rates whose services meet our criteria (www.camden.gov.uk/drr) but are not funded by the Council.
- **Community Centres Fund:** funding to develop community facilities to meet residents' needs. This is usually used for central costs such as the cost of the director or back-office support. This funding supports 17 community centres and ends March 2016.
- **Open Spaces for Young People Fund:** funding to 5 VCS organisations providing facilities for children and young people, secured to March 2016.
- **London Councils Grants Scheme:** Camden Council is legally obliged to make an annual contribution.
- **Staff cost:** Communities and Third Sector Team.

There are also a number of 'non-project' funding streams

Camden Council VCS Funding Streams



Blue = CTS Programme Funding

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Appendix 2: Summary of previous engagement feedback

The table below sets out some of the priorities for the Council and the VCS identified during earlier engagement in December 2014 and January 2015 to move our relationship forward (further detail can be found at: www.camden.gov.uk/vcsengagement).

Across the two events there were recurring themes on how we could work better both within and across different sectors. There were also lots of positive recognition of the collective challenges we face, and the potential for us to collaborate better as a partnership to meet these challenges.

Our aspirations

- New strategic relationship
- Reduce complexity
- Support key partnership
- Better connection between CTS funding and 'Business As Usual' commissioning
- Transparent and sustainable process
- More sharing of assets
- Outcomes focussed
- Delivery of savings

You told us

- It's not all broken
- Be proper partners
- Be clear on scale of aspiration
- Speak with one voice
- Share information
- Simpler commissioning and procurement
- We're not all the same as a Sector - what's right for one won't be right for all
- Need more shape to these discussions
- VCS = Prevention
- VCS = Reach

Appendix 3: Camden's investment tests

Investment test one: tackle inequality

In the future, before we spend money on a project we will ask ourselves 'How will this reduce inequality among our residents?'

Investment test two: focus on outcomes

Starting with the outcomes we want to achieve in our Camden Plan, we will work backwards asking how these can be realised by working together across the Council and with other partners and residents. We will focus on greater use of technology and share assets with our partners to make them go further.

In the future, before we spend money on a project we will ask ourselves 'How does this investment meet the outcomes we want to achieve?'

Investment test three: invest in early intervention where possible

We will save money in the long term by focussing on prevention and the causes of problems wherever possible. This is cheaper, more sustainable and leads to better results for everyone. However, we will maintain necessary services to help resolve serious problems.

In the future, before we spend money on a project we will ask ourselves 'How does this focus on prevention?'

Investment test four: make every pound count

We will work even harder to get things right first time and continue to make the best use of our assets to ensure that every pound goes as far as possible.

In the future, before we spend money on a project we will ask ourselves 'How effective is this investment?'



Notes

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

Communities and Third Sector

7th Floor

Freepost RSLT-RJBR-TXAA

London Borough of Camden

Town Hall

London

WC1H 9JE

Tel: 020 7974 5021

Website: www.camden.gov.uk/vcsengagement