

# Community and Voluntary Sector Review

## Report by the Safer Stronger Communities Select Committee

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## **Foreword by Chair**

The Community and Voluntary Sector plays an important role within Lewisham, fulfilling a wide range of needs and wants for the community. The benefits that emerge from a vibrant sector lifts Lewisham into a better place to live and work, generating positives for the borough by providing services and assistance to those in need, volunteering for those who need to develop their skills, a way for people to become involved in their communities or simply leisure opportunities.

In this review, the Safer Stronger Communities Select Committee sought to find out what the Community and Voluntary Sector does, how it operates and the benefits it brings to Lewisham. It also looked at how Lewisham Council supports the sector, as well as what other organisations do to offer support either through financial means or through 'in-kind' support. Lewisham has a strong history of working with the third sector and currently runs a three year funding programme for organisations within the borough. This funding has not been cut in the face of severe budgetary pressures and is testament to the commitment that Lewisham Council has to the Community and Voluntary Sector.

Important issues that that the Committee identified included finding a balance between organisations being rational and using business-like practices to get the most from the funding they generate whilst retaining the enthusiasm and passion that made people want to get involved in the first place, as well as the balance for funding bodies between supporting new and ground-breaking projects while maintaining stable and successful organisations that have long and proud histories within the borough.

The Committee heard evidence from a number of organisations, either working locally in Lewisham or across the whole of London. On behalf of the committee I would like to thank those organisations for the taking the time to speak to the committee about the work they do and to highlight the issues that they face. I would also like to thank Members of the Select Committee for their diligence and commitment in carrying out this lengthy review.

I commend this report to the Mayor and Cabinet and hope that they give full consideration to the recommendations within it.

Cllr Pauline Morrison,  
Chair, Safer Stronger Communities Select Committee.

## **Executive Summary**

1. The Committee found that the Community and Voluntary Sector fulfils a diverse range of roles in the borough, offering sports participation, hobbies, local activism and social action, support for vulnerable people, as well as supporting other community and voluntary organisations. In addition there are clear benefits to be gained from an active and healthy voluntary sector.
2. In Lewisham there are over 800 voluntary and community organisations, providing a wide range of services. Some organisations funded by the Council make direct contributions to Council priorities through specific service provision, whilst others contribute more indirectly. Lewisham is fortunate to have a thriving third sector which ranges from very small organisations with no paid staff through to local branches of national charities. The smaller groups are often the glue in the community and can spring up between neighbours and in local areas.
3. Lewisham has a strong history of working with the third sector and offers support to the voluntary and community sector in a number of ways. This includes developing a Compact with the sector over a decade ago and providing a three year funding programme for organisations within the borough. This funding has not been cut in the face of severe budgetary pressures and marks the commitment that Lewisham Council has to the Community and Voluntary Sector. The fund sets out general criteria for funding, giving clarity for those bidding and has four themes for the funding, setting out what the priorities are for Lewisham. The themes include Building Social Capital, Gateway Services, Youth Programme and Communities That Care.
4. Lewisham also funds second tier organisations, which are a level up from those front line organisations delivering services. These help to support and build up existing organisations as well as offering advice and assistance to new organisations. The main example of such an organisation is Voluntary Action Lewisham, who provide support services as well as representation and advocacy. In addition to local authority funders there are London-wide funders such as the City Bridge Trust who provide funding and support for organisation across London, including in Lewisham. They also have strategic initiatives that allows commissioning of services and research and are encouraging volunteers to be involved in organisations. Support for the voluntary sector tends to decrease during times of recession. Structural and sector support is very important to smaller organisations and makes it easier for them to survive.
5. The Committee identified contradictions and clashes within the Community and Voluntary Sector. For example, there needs to be a match-up between the passion of wanting to help and the rational business side of operating effectively, especially given funding pressures. There is clearly scope for more partnership working among organisations doing similar things and/or working in similar geographical areas although this shouldn't mean that people feel as if they no longer have 'influence' within their organisations. Likewise there

needs to be a balance between funding new projects that push new ideas and approaches without threatening established organisations providing successful services.

6. There are enormous pressures and challenges on the sector in the future. These include the sharing of assets, providing services in the future that the Council provides now and pressures to move to a more enterprising approach.
7. The Committee recommended actions based around maintaining levels of funding and stabilising the sector, improving the level and intensity of direct support for smaller organisations, ways to meet the challenges the sector faces in the future and further work the Committee can carry out in scrutinising this area.

## Key Findings

- KF 1. The Community and Voluntary sector fulfils a diverse range of roles in the borough, offering sports participation, hobbies, local activism and social action, support for vulnerable people, as well as supporting other community and voluntary organisations.
- KF 2. There are clear benefits to be gained from an active and healthy voluntary sector, including:
- Contributing to Council priorities
  - Providing services that Council cannot easily provide
  - 'Filling the gap' outside mainstream provision
  - Acting as bridging organisations between communities and people, as a glue that hold communities together
  - Fulfilling a preventative role for society that the public sector cannot always do
  - Giving people a voice
  - Providing positive experiences for those volunteering
- KF 3. The Community and Voluntary sector is underpinned by the goodwill of those involved in groups and organisations and hinges on their passion and drive.
- KF 4. Current support levels in Lewisham are good compared to the national situation. There has historically been a good relationship in Lewisham, and the current situation has come about because of:
- The maintaining of grant funding
  - Advice and support on offer
  - Consultation
  - Advocacy
- KF 5. The Community and Voluntary Sector faces challenges due to the shifting patterns in funding at a national and local level. Alternative charity funders are also facing pressures on their funds due to the increased demand for them.
- KF 6. However, the community and voluntary sector also needs to 'raise its game' by prioritising, adapting and developing its services in order to rise to the challenge of cuts to services and 'Big Society'.
- KF 7. The new main grant programme has provided clear priorities and criteria enabling transparency in funding aims and requirement for organisations.
- KF 8. Previous scrutiny of this topic by both Lewisham and other local authorities has largely looked at funding arrangements, rather than the wider support on offer to the Community and Voluntary Sector. However, a great deal of best practice identified is current practice at Lewisham.
- KF 9. Capacity within the Community and Voluntary Sector is supported by organisations such as Voluntary Action Lewisham as well as the Council itself. It can also be provided by other large funding organisations such as City

Bridge Trust. This support is highly important, especially for smaller organisations and groups that can't generate 'their own' advice, training and guidance.

- KF 10. The capacity of the Community and Voluntary Sector is not fully developed due to the isolated nature of many organisations. There can be overlaps in provision between different groups operating in either the same geographical area or delivering similar services. There can also be a lack of knowledge amongst some smaller organisations of where funding, guidance and advice is available from as they have limited numbers of people and expertise to draw upon. Improved access to this sort of knowledge is needed for capacity to be built.
- KF 11. Access to funding can depend upon developing new projects, which can then threaten core longstanding services and stable organisations. Developing and sustaining organisations should be a key priority of funding.
- KF 12. Building and sustaining connections between communities is a key to developing a healthy Community and Voluntary Sector.
- KF 13. The Council should not be prescriptive and dictate what form the Community and Voluntary Sector should take. Its role should be as an enabler, which is a more delicate and nuanced role. Dialogue between Lewisham Council and the Community and Voluntary Sector needs to be open, honest and transparent.
- KF 14. Plans have been drawn up under the Transforming Local Infrastructure bid that could greatly enhance capacity within Lewisham and has identified potential new structures, directions and collaboration opportunities. If the bid is not successful then Lewisham as a borough has a good potentials plan in place to improve the way the Community and Voluntary Sector works.
- KF 15. There is potential for some organisations within the Community and Voluntary Sector to develop into a 'social enterprise' or entrepreneurial direction.
- KF 16. Philanthropy does not appear to be able to fill the gaps in funding that can occur at the small, local scale. Instead it seems suitable for larger scale project type work or established organisations
- KF 17. A wider definition of volunteering, as developed in the 'Valuing Our Community' strategy, that recognises giving time is important in increasing the role and involvement of volunteers in achieving community cohesion.

## Recommendations

After consideration of the evidence in the report and the agreed key findings, the Committee developed the following recommendations:

- R1. Lewisham Council should maintain the current levels of funding for the Community and Voluntary Sector.
- R2. Organisations that are stable and are providing recognised good quality services must be supported by Lewisham Council. Funding from Lewisham should aim to ensure there is a balance between new, innovative projects and stable, proven approaches that work.
- R3. Lewisham Council should continue its collaboration with other funding bodies and pass on information about funding that is available to organisations within Lewisham.
- R4. The Community and Voluntary sector should not be expected to supply services that are currently provided by the Council unless there is an appropriate transfer of funding made and standards set out.
- R5. Lewisham should encourage greater awareness of and participation in the Community and Voluntary Sector. To aid this, a borough-wide initiative to increase the visibility and awareness of the sector should be developed, expanding on already in-place events such as Make a Difference Day and Compact Week.
- R6. Organisations that support the Community and Voluntary Sector in Lewisham, such as Voluntary Action Lewisham, should review the support that they offer to the sector especially in relation to capability and capacity building. The Committee feels that provision of more intensive and individual support including advice, training and guidance would create better results for organisations.
- R7. Lewisham Council should work with the Community and Voluntary Sector to challenge the sector to step-up to the new challenges and pressures that are being faced at this time. There should be realism within the Community and Voluntary Sector on what it will and will not be able to do.
- R8. Collaboration between organisations in the Community and Voluntary Sector should be encouraged and increased in order to increase capacity and meet funding challenges.
- R9. The role that Local Assemblies play in supporting the formation, growth and support of community and voluntary groups should be reviewed, with an aim to expand its role. A wider definition of volunteering reflecting giving of time should be part of this review.
- R10. Lewisham Council should review its interactions with the Community and Voluntary sector across the entire organisation in order to ensure that the

approach taken is consistent and sufficiently promotes and supports the sector's work and role.

- R11. Further scrutiny should be carried out looking at the shifting patterns of funding for the Community and Voluntary Sector, including payment by results and personal budgets.
- R12. Further scrutiny should be carried out to look at the role of social enterprise, increased entrepreneurialism and generating income.



## **1. Introduction and Terms of Reference**

- 1.1. Over the course of its 2010/11 work programme the Safer Stronger Communities Select Committee realised that the role of the 'third sector' would gain in importance over the coming years. The third sector includes charities, not for profit companies limited by guarantee, faith organisations, civic amenity societies as well as social enterprises. What all these organisations have in common is their ability to bring significant additional value to the work that they do through voluntary support and raising funds from sources not available to other sectors such as charitable trusts. Many Members on the Committee were themselves current or former participants in organisations in the third sector and decided that an in-depth review looking at aspects of this area would have the potential to strengthen the way that the sector operates within Lewisham.
- 1.2. At its meeting on 31 March 2011 the Safer Stronger Communities Select Committee agreed that it would undertake a review of the voluntary and community sector in Lewisham, concentrating on smaller organisations operating within the borough and seeking to address the following three key themes and subsequent questions contained within the themes:

### **Establishing the Capacity of the Voluntary Sector**

- What benefits does the voluntary and community sector bring to the community?
- Where do voluntary and community sector groups operate within the borough?
- Is it possible to audit the number of groups?
- What levels of funding and general support are available to the voluntary and community sector?
- How does the voluntary and community sector provide support to itself?
- How are these levels of funding and support likely to change?

### **How to Build the Capacity**

- What does the voluntary and community sector want in terms of support from the public sector?
- How equipped are organisations to build their capacity to do more?
- What can the voluntary and community sector do between themselves to increase capacity?
- Is there a need to encourage more voluntary and community groups within Lewisham and if so how can this be done?
- How can the work done by smaller, less structured and less formal organisations be harnessed and recognised in order to increase capacity?

### **The Future Role of the Voluntary Sector**

- What role is seen for the voluntary and community sector by national bodies and the government?
- What role is seen for the voluntary and community sector by themselves?

- How can the Council and their partners encourage increased capacity within the voluntary and community sector to help them take on these roles?

## **2. Current support for the Voluntary and Community Sector**

- 2.1. Local authorities can act as facilitators helping spread the burden and promoting co-operation between local groups. Lewisham has a strong history of working with the third sector and empowering residents and communities. Lewisham was the first London Borough to develop a compact with the third sector in 2001. The compact seeks to support a positive relationship between the sector and key statutory partners. It includes expectations around the management of grant aid as well as broader partnership working principles. The compact was further developed in 2010 with the addition of guidelines for commissioning with the third sector in recognition of the important contribution that the third sector should play in identifying needs as well as potentially delivering service solutions. Although the third sectors role within the commissioning of local public services continues to grow, the council recognises that there continues to be a need for grant aid investment for the following reasons:
- A recognition of the importance of maintaining an independent sector that can act as a critical friend to challenge public sector policy and delivery.
  - A recognition of the key role that the sector plays in building civic participation, providing a voice for seldom heard residents and providing community intelligence.
  - A recognition of the great diversity of the sector and the need to engage with small and emerging groups as well as large established organisations.
  - A recognition of the sector's potential to take risks and innovate which does not always sit easily within commissioning frameworks.
  - A recognition that third sector organisations have been key delivery partners for a wide range of targeted short term initiatives. Grant aid provides a level of security for organisations ensuring that there is a strong sector ready to work in partnership with us.
- 2.2. Lewisham offers support to the voluntary and community sector in a number of ways:
- Advice and support: the Council can provide specialist advice on many issues facing the community sector, or can point groups in the direction of other organisations that can help. Funded organisations receive support and advice from Council officers on organisational development. Support is also given through assisting with premises.
  - Facilitating consultation: Lewisham is committed to ensuring that wide and representative consultation is undertaken on issues affecting local people
  - Funding: Lewisham is a significant funder of the voluntary and community sector. The basis on which grant funding is allocated is outlined in this paper.
  - Advocacy: Lewisham is committed to ensuring that organisations based in the borough receive their share of national and regional funds
- 2.3. The Council recognises its role in supporting the breadth of development across the VCS as well as in seeking a commitment to its own corporate priorities. The Council's grant aid programme is part of a package of support that has been developed to assist in building a vibrant and sustained VCS.

From April 2008 three year funding was introduced, for the majority of organisations, with the funding framework for advice and information starting in April 2009.

- 2.4. Given the current financial position that the Council finds itself in, there is recognition that the role of the voluntary and community sector is even more crucial in assisting with delivering quality services to local people. A decision was taken at Mayor and Cabinet contracts in December 2010 to extend the 2010/11 main grant programme allocations for a further 6 months to allow time for consultation on new criteria and programme themes to be completed. A set of draft proposals for the new main grants programme were consulted on. This involved sending the draft proposals to organisations on the Community Sector Unit's database, publicising it on VAL's e bulletin, and holding discussions with a range of stakeholders such as Safer Stronger Communities Select Committee, Stronger Communities Partnership Board, The Compact Group, Health and Social Care Forum, Children and Young Peoples Forum, Information and Advice Forum, Borough Deans and the Second Tier Strategy Group.
- 2.5. The new three year funding programme takes this into account and will aim to:
- reduce the impact of public sector spending reductions on citizens and communities.
  - harness the innovation of the sector to deliver solutions in priority service areas.
  - ensure a strong infrastructure for delivering social capital across the borough as a whole.
  - support those in greatest need around issues such as financial inclusion, accessing employment and legal advice
  - promote the value that third sector organisations provide by ensuring that organisations lever external funding, earned income and volunteering
- 2.6. The new funding will run to March 2014 and has reprioritised funding around 4 themes. In order to be eligible for funding from the main grants programme applications must:
- Be for activities or services that benefit Lewisham residents –the application should describe any specific target groups and how they will benefit from the proposed activity;
  - be from a constituted third sector organisation with charitable aims and objectives;
  - have a written Equal Opportunities policy that covers all equality strands;
  - demonstrate clear financial management procedures and arrangements which allow the management committee to ensure the effective use of resources.
  - Evidence a track record in securing external funding or the potential to attract external funding in the future
- 2.7. Lewisham will not fund:

- individuals;
- worship or activities that promote the views of a religious organisation (although religious groups may apply for non-religious activities);
- activities that promote the views of a political party;
- commercial or business related activities;
- spending that has already taken place.

2.8. In terms of general criteria for funding, applications must demonstrate:

Efficiency and effectiveness

- clearly defined services to deliver the outcomes of the proposed themes
- effective partnerships with other groups and agencies and the role of partners in the proposed delivery of services
- outputs that achieve value for money and outcomes that will make a tangible difference to Lewisham residents
- appropriate monitoring and evaluation systems to measure performance and review the effectiveness of services delivered

Governance and management

- strong management and active decision making in overseeing the delivery of services
- appropriate staffing to deliver quality services
- commitment to supporting paid and unpaid staff training and development

Excellence and innovation

- the ability to deliver high quality services through an appropriate quality standard

Reach

- a track record of delivering services for Lewisham residents
- a planned approach to addressing equalities and diversity issues to meet the needs of Lewisham residents

Financial sustainability

- a 3 year track record of financial stability
- robust financial controls
- a track record of securing funding from a diverse range of sources and evidence of the potential to secure funding in the future
- a realistic budget for the proposed service

In additional, other criteria are taken into account:

- the spread of provision across the Borough and the extent to which services duplicate other Lewisham based services
- the engagement and involvement of volunteers in the delivery of services

2.9. The four themes for funding are outlined below:

Building Social Capital

2.10. Organisations applying under this theme should seek to ensure that Lewisham has empowered local communities and strong third sector organisations. It is anticipated that there will be a number of key borough wide strategic organisations who are engaged in building local communities, a

network of community development and support organisations and developing volunteering opportunities. The strands within this theme are:

- A strong and vibrant voluntary and community sector infrastructure that can provide a wide and responsive range of high quality services. A vibrant voluntary and community sector which is capable of sustaining long-term service delivery and has a significant contribution to make towards improving the borough and engaging with its residents.
- Enable voluntary and community groups to assist the council in tackling inequality and supporting vulnerable people. Under the Equality Act 2010 there is the equality duty which consists of a general duty, which states that public bodies must have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between different groups; and foster good relations between different groups. The Council supports a range of initiatives and organisations that support the delivery of the equality duty and Lewisham's priorities in the area of Equalities and Human Rights.
- Support and develop volunteering opportunities, particularly around activities that support the four themes, especially social capital. This includes 2<sup>nd</sup> tier support to organisations that utilise volunteering. Volunteering is a powerful force for change, both for those who volunteer and for the wider community. While it is not solely undertaken within the voluntary and community sector, it is among the largest provider of volunteering opportunities. The Council and its partners recognise that volunteers are key in building social capital in the borough.
- Area based community development . In developing social capital, it is important to develop local communities on a neighbourhood level, and there is an important role for the voluntary and community in supporting this. Consultation on the grants programme has identified the need for a network of organisations operating on a sub-borough basis providing community development support that extends across the borough. These organisations will enable the sector to successfully deliver services and respond to local needs in the challenging times ahead. The area based community development would provide a mix of services such as volunteer support, coordination and delivery of locally based community activities, community premises management, and practical support to build local communities.

### Gateway Services

- 2.11. Organisations applying under this funding stream will need to demonstrate how they are supporting those in greatest need in terms of access to advice, services, employment and financial inclusion.
- Access to legal advice and information services which ensures a distribution of services across the borough and priority areas being disabled people, older people and those with language needs.
  - Improving economic well-being and employability. This seeks to improve economic well-being and employability to those residents most in need. This would include young people, long-term health related benefit claimants, social housing tenants, BME communities and lone parents. Within this strand the Council is looking for new approaches to assisting

people, with a clear demonstration of how the activity adds value, and how it impacts on pathways to employment or more formal training. Collaboration amongst the providers is essential; therefore the organisations will need to demonstrate how it collaborates with other providers in the borough

### Youth Programme

- 2.12. The Council specifically wishes to fund organisations that are able to deliver the following areas:
- Developing young people to become active citizens through volunteering opportunities, peer elevator and training opportunities with the aim of getting young people more involved in leading and developing activities. Within this section we will be looking for activities that engage young people in volunteering, particularly those who would not normally be involved positively with their local communities. Evidence of the sustainable impact that the activity has on the life of the young people, as well as the wider community will be required
  - Provision of universal youth activities, using different genres such as sports and arts. The pattern of provision within this strand will need to ensure a distribution of neighbourhood working across the borough, alongside work with young people who are less likely to access services, particularly disabled young people, young carers and young women. Activities that support young people, which in turn enables them to engage fully in leisure and education will be supported within this strand. Universal youth provision will need to show how they are building resilience - this includes attainment, friendship, basic skills, engagement and aspirations.
  - Support young people to engage with decision making within the different communities that they are part of and to strengthen the ambassadorial role of young people who contribute to their local community. This will include developing environments where young people can contribute to wider discussions around community issues and develop and take part in positive activities. Activities in this strand would need to demonstrate how they work alongside established engagement arenas, and do not duplicate these arenas

### Communities That Care

- 2.13. Keeping adults active, healthy and engaged to prevent or delay them from needing to access adult social care services in the future, encouraging neighbourliness where individuals provide support to one another within a community and supporting the development of personalised services for individuals funding their own care and those with adult social care personal budgets.
- Keeping adults active, healthy and engaged to prevent or delay them from needing to access adult social care services in the future. The council is looking to fund a range of early intervention and preventative services for older people and all vulnerable adult client groups.

- Encouraging neighbourliness where individuals provide support to one another within a community. The council is looking to fund services that connect people within local communities to provide support. This could include informal networks, formal volunteering and timebanking.
- Development of personalised services for individuals funding their own care and those in receipt of a direct payment from adult social care as part of a personal budget. Applications are welcomed for start up funding from organisations wishing to develop services that could be purchased by adult social care clients with direct budgets or individuals who are self funding.
- Counselling, mediation & support groups for individuals. The council is looking to fund organisations that provide counselling, mediation services and support groups for individuals with particular needs such as carers, victims of crime and those unable to access these services through other means

2.14. Application forms and guidance notes were available to download from the council's website from 28 March 2011. There were two application forms one for applications of £10,000 and over and a simplified one for applications up to £10,000. The deadline for applications was 18 April 2011. 138 applications were received for a total of £8.3million. This was substantially more than the available budget of £4.5million. Each application was assessed by an officer using a standardised assessment process. The assessments and associated officer recommendation was then checked by another officer to ensure the consistency and quality of assessments in relation to the general criteria. The recommendations were considered by a lead officer for each theme with responsibility for providing an overview for the theme and checking the application's fit with the theme criteria. Recommendations for each theme were then presented to a senior officer group for approval before the recommendations were sent to individual organisations in the week commencing 23 May 2011. As part of the main grants process organisations were given the opportunity to appeal against officer's recommendations. They were invited to make a submission to be included in the report and were given the opportunity to address Mayor and Cabinet (Contracts) when the report was presented.



### **3. Previous scrutiny**

- 3.1. The Public Accounts Select Committee undertook a review looking at Voluntary Sector Grant Funding in 2008 which considered how the new three year funding arrangements for the Council's voluntary and community sector main grants programme were working in practice and what benefits were being, or were expected to be, achieved. The review also examined the monitoring process which accompanied the new funding arrangements and assessed how accountable the new arrangements were and whether or not they provided value for money.
- 3.2. The review found that three year funding for the voluntary and community sector had been a positive step, had been welcomed by VCS organisations and had provided the stability required to allow VCS organisations to (a) undertake long-term and sustainable planning and (b) commit to long term service provision.
- 3.3. Significant improvements had been made to the application process as part of the introduction of three year funding (including revised forms and criteria); but the review found that the process could be further improved by making all the forms available online, holding all the information on VCS organisations electronically and strengthening the linkages between the Year One, Year Two and Year Three application forms.
- 3.4. It was identified that there was still work to be done on fully assessing the quality of the services being provided by VCS organisations in return for funding, to ensure that funding was achieving its objectives and making a difference. Therefore the review recommended that unit costs should be considered as part of the application process, wherever possible, to ensure that value for money is being achieved; monitoring visits should be more comprehensively and consistently recorded; the Safer Stronger Communities Select Committee should be provided with more information on the results of monitoring reviews and the outcomes achieved; and the level, purpose and objectives of the support offered to third sector organisations should be reviewed and a more explicit test of whether the level of support offered nullifies the benefits of providing services through the VCS introduced. In relation to this, the review suggested that the Mayor & Cabinet requests a comprehensive report on the types and level of support offered to VCS organisations, the duration of that support, the effect on the organisation and the improvement in services resulting from that support.
- 3.5. In terms of the benefits of three year funding for VCS organisations, organisations would benefit from earlier notification of grant awards and tapering levels and more flexibility in terms of staff pension contributions. If possible the Council should advise organisations of the decision to award funding, and the level of tapering for year 2 onwards if applicable, at an earlier stage.
- 3.6. In terms of the benefits of three year funding for the Community, it was felt that residents might benefit from a better spread and balance of services

provided by the VCS, informed by their feedback. PAC therefore recommend that (a) the Council should seek to identify gaps in the services currently provided in Lewisham and use the list of all the VCS organisations in the borough held by Voluntary Action Lewisham to plug any identified gaps in service provision; (b) the criteria for funding should be used more proactively by the Council to signal the services it wants provided by the third sector; (c) a formal mechanism to ensure that the Council captures feedback from users of the services provided by funded organisations should be developed; and (d) capturing feedback from service users (using a method appropriate to the organisation) should be a requirement placed on all VCS beneficiaries of Council funding.

- 3.7. In 2005 Nottingham City Council's Partnerships Task and Finish Panel looked at the Authority's relationship with the voluntary and community sector. The aim of the work was to improve the City Council's working arrangements in order to develop a better working relationship between the council and the voluntary sector. The panel identified many areas where there was good practice and a positive working relationship between the council and partners. However the review identified a lack of consistency across departments and the need to spread the good practice that exists to all areas of the council.
- 3.8. During the review, the panel found that a voluntary and community 'sector' does not exist and that a truer reflection is that there are a large number small, medium and large sized groups and organisations representing the citizens of Nottingham and the wider conurbation with a loose connection in that they provide services in a not-for-profit capacity. Therefore the 'one size fits all' approach often employed by the City Council and the notion of a voluntary and community 'sector' was one of the key issues that immediately came to light during this review, especially for smaller groups
- 3.9. The panel concluded that Nottingham City Council does not have as effective a relationship with the voluntary and community sector as it could and should. This can be attributed in part to financial pressure which has led to a reduced budget for voluntary and community organisations and the loss of funding for some groups. Evidence highlighted particular concerns relating to communication and consultation with the sector, leaving many groups feeling unsure of their role and suspicious of the City Council's intentions towards the sector as a whole. Trust was lost when the authority took a decision to reduce the amount of funding. The Compact, a document that is meant to define the authority's relationship with all voluntary and community groups, appears to have had little impact and is not currently in active use. The decision to cut funding was not the sole issue of concern to these groups; more significantly it was the manner in which it was done and the lack of consultation and communication which left many groups feeling isolated and unsure as to what the authority was planning next.
- 3.10. Bracknell Forest Borough Council carried out a review of Community & Voluntary Sector Grants in 2004 which found that the decision to directly contact groups about funding availability rather than to advertise in the media may have cut costs, but could be seen as being too exclusive and that there

should be a simplification of the grants process to ease the load on organisations.

- 3.11. Meanwhile, Oxfordshire's Social & Health Care Scrutiny Committee reviewed the Service Level Agreements and Grants With the Voluntary Sector in 2005. The aim was to evaluate the systems and processes underlying the funding of voluntary sector organisations by the Social & Health Care Directorate. This examined both grant-giving and contracting arrangements and identified good practice to support the voluntary organisations which provide vital services. The Oxfordshire Compact was identified as a positive step and stressed its role of supporting infrastructure development within voluntary organisations which could strengthen that sector as a whole.
- 3.12. However, the review highlighted concerns about the transparency and coherence of the systems in place for administering agreements and the systems for monitoring voluntary organisations' compliance with their contracts, as well as a lack of co-ordinated working between Directorates
- 3.13. In 2006, Bristol City Council's Sustaining Voluntary Sector Organisations Select Committee identified that a lack of a cross-council framework made the development and implementation of a strategic approach to funding and sustaining the voluntary and community sector less easy to achieve. The need to focus funding towards new council priorities or to new communities was therefore made more difficult and there was a lack of an overview of who is funding and working with which organisations in the council. The Committee noted that a well-developed framework, supported by a strong officers group and a Corporate Funding Unit, would enable the Council to more effectively align its' grant funding to corporate priorities and strategies. Streamlined and clearer funding criteria, the adoption of Lead Funder Principles, coupled with the implementation of Compact Plus across departments would assist the Council to meet its requirements. Such an approach would reduce bureaucracy for voluntary and community sector organisations, would make funding streams and requirements clearer and provide more effective support and advice. The Committee also recognised the importance to voluntary and community sector organisations of locally-based infrastructure organisations and the relationship between the council and infrastructure organisations should be strengthened, providing that voluntary sector organisations are in agreement with this.

#### **4. Benefits of the community and voluntary sector**

- 4.1. The Community and Voluntary Sector makes a significant and essential contribution to the wellbeing of Lewisham's residents and the Council would not be able to achieve all its aims without the contribution that the third sector makes. Voluntary and community organisations play a crucial role in providing a wide range of services that the Council cannot easily provide, often benefiting 'hard to reach' residents who sometimes feel excluded from mainstream services.
- 4.2. Lewisham is fortunate to have a strong and thriving third sector which ranges from very small organisations with no paid staff through to local branches of national charities. The third sector includes charities, not for profit companies limited by guarantee, faith organisations, civic amenity societies as well as social enterprises. What all these organisations have in common is their ability to bring significant additional value to the work that they do through voluntary support and raising funds from sources not available to other sectors such as charitable trusts
- 4.3. In Lewisham there are over 800 voluntary and community organisations, providing a wide range of services. Some VCS organisations funded by the Council make direct contributions to Council priorities through specific service provision, whilst others contribute more indirectly through providing network support to groups of specialist organisations or through contributions to strategic planning and development, playing a key role in strategic partnerships.
- 4.4. As well as being directly involved in delivering services to citizens in the borough, third sector organisations also provide the essential infrastructure to allow the sector as a whole to develop and support individual citizens to be able to play an active role within their local communities.
- 4.5. The massive changes to public service delivery that have begun and are anticipated over the next few years will inevitably have a major impact on the local third sector. The council has the ability to manage and influence how some of these changes impact such as the reduction to the council's general fund revenue budget but for others such as the cessation of specific grants to support targeted areas of the council's work or national policy changes the council has very little control. This uncertain and volatile climate further deepens the need for a grant aid programme to ensure some level of stability for the third sector.
- 4.6. The significant reduction in public spending power in the borough will require the council and the third sector to adapt and evolve their relationships. There will be a need to encourage a culture of sharing resources, sharing assets and working collaboratively to be better able to meet community needs. The council will be looking to develop strategic relationships with key third sector organisations in the management of assets, in growing and supporting smaller organisations and as strategic partners in a wider sense in relation to specific areas of work.

- 4.7. One area in which significant change is anticipated is the use of council assets. In order to release substantial revenue savings and therefore safeguard frontline service delivery, the council is looking to rationalise its public buildings. In doing this the council will be looking where possible to safeguard the community benefit of these assets, opening up opportunities for alternative uses for buildings where viable business cases can be developed.
- 4.8. The benefits of the community and voluntary sector, which can be hard to describe and prove as they provide bridging organisations between communities and people. They also contribute to the objectives of the council, in fact it is difficult to find a voluntary organisation that doesn't, so it is useful to find out what is it that local authorities are trying to achieve that can be done by voluntary and community bodies. The importance of the community sector and voluntary sector is that they support communities and community services by filling gaps. Smaller groups are the glue in the community, they can spring up between neighbours and become an organisation and act in a preventative role.
- 4.9. Community organisations provide services that the Council cannot easily provide and are often a means for people who have traditionally been excluded from services to access mainstream provision. Community organisations also offer the benefits of group membership, which social network theory validates as important. This importance lies not merely in the activities of the group, but in the fact that most group members will be members of other groups, so joining a group potentially provides access to numerous network bridges that would otherwise not have been available.
- 4.10. Monitoring can produce evidence and justification for the benefits that are gained from Community and Voluntary Organisations. There is a need for the accountability of public funds, but there is a question as to whether intensive monitoring is necessary. Questions should be asked about what is learnt from the monitoring, whether the funding made a difference, but smaller organisations shouldn't be burdened with monitoring and EU projects are covered in monitoring. Would independently audited accounts to prove fiscal responsibility be enough, or would there need to be more hands on and in-depth monitoring.

## 5. **Capacity of the community and voluntary sector**

- 5.1. As identified previously, there is a diverse and healthy community of community and voluntary organisations within Lewisham. Underpinning these and providing support for their capacity are what is known as 'infrastructure organisations'. Lewisham funds second tier organisations, which are a level up from those front line organisations delivering services, organising them into thematic groups, such as infrastructure support. These help to support and build up existing organisations.
- 5.2. There will be a profile here of three of the main infrastructure organisations within Lewisham as well as a pan-London funder.

### Voluntary Action Lewisham

- 5.3. Voluntary Action Lewisham (VAL) is the Council for Voluntary Service (CVS) for Lewisham. There is a CVS in (almost) every London borough and in cities, metropolitan areas and counties across the country. VAL is affiliated to the National Association for Voluntary & Community Action and follows NAVCA's five work/service areas. These can be summarised under two main headings:
  - Providing Support Services to voluntary & community organisations, including faith organisations and social enterprises.
  - Representation and Advocacy, which includes getting involved with Partnership Boards, working groups, etc. and publicising the achievements of Lewisham's voluntary and community sector organisations as well as advocating for the needs of Lewisham's voluntary and community sector organisations.
- 5.4. Martin Howie, Director of Voluntary Action Lewisham the spoke to the Committee about the services that VAL provides to all groups. VAL has a two-tier membership system. Full membership costs from £12 - £48 per year, depending on the size and income of the organisations; Full members receive discounts of up to 50% on VAL training course fees and other services. Associate membership is free, with a discount of approx 10% on training courses. All members receive a free copy of Grapevine, our monthly magazine.
- 5.5. VAL's Trustee Board (Executive Committee) has legal and financial responsibility for the organisation, and determines policy. There are 3 Honorary Officers, 12 ordinary members – all of whom are nominated & elected by member organisations – plus 2 Council representatives. The staff team currently comprises Director, 2 Asst Directors, 8 other FT staff and 4 part-time staff (total 15 people).
- 5.6. VAL's income in 2009-10 was approximately £750,000. This comes through grants and contracts with the Council and NHS, a major grant from the Big Lottery, some small grants from other funding bodies, and a modest income from membership fees, charges for services, bank interest, etc.

- 5.7. The need for infrastructure support is not always understood by those outside the sector. We are fortunate in Lewisham that LBL (Community Directorate) has a policy of “investing in the sector”. Some of this investment goes directly to frontline groups, but LBL also gives financial support to enable VAL and other infrastructure organisations to provide the support services that frontline organisations need.
- 5.8. The VCS in Lewisham – at least 1,000 organisations – is hugely diverse, with a multiplicity of needs. Infrastructure/ development issues include: setting up new organisations, charity registration, developing strong governance, fund-raising, financial management, staff (inc. volunteers) training, premises, I.T., legal compliance, health & safety, HR, information, understanding Government and local policy, partnership working and collaboration.
- 5.9. The Director of VAL highlighted the strong relationships between the Community Sector Unit and VAL, and between VAL and Lewisham Council generally, with Cllrs Best and Millbank on the VAL board. The voluntary sector appreciates that Lewisham are maintaining a grant programme as many other authorities across the country are not doing this. However, despite the size and diversity of the community and voluntary sector and its strength, there is still a lack of capacity to provide support and volume of support needed.
- 5.10. In addition there have been training sessions held across boroughs via the CVS network, (more specifically the East London Network made up of 10 London boroughs), and joint development of financial management services through ASSET, a community accountancy consortium linking Lewisham, Greenwich, Bexley and Southwark. Training in financial management has been popular and successful, but for the most part people have preferred to attend courses within their own borough

#### Lewisham Arts Education Network

- 5.11. Lewisham Education Arts Network (LEAN) champions arts education in Lewisham through empowering artist educators, those that work with them and strategic partners to foster high quality creative opportunities for children and young people. Jane Hendrie, Manager of Lewisham Arts Education Network (LEAN) spoke to the Committee about their work. LEAN has a long history in the borough, it started in 2000 as a result of the need for arts education support. In 2003, with LBL support, it became a limited company and in 2005 became a charity as well. LEAN has 700 members and works with 200 artists in the borough and is a small organisation, with 80% of what it does infrastructure type work. It supports arts organisations, teachers, community workers, youth workers, artists, provides specialist advice and guidance including 1 to 1 advice and support. It also disseminates information via meetings, information on the website, bulleting and network events. LEAN also brokers partnerships and is involved in lots of boards, supporting the wider voluntary and community sector, and has worked outside Lewisham.
- 5.12. Overall, LEAN works to:
- Advocate for arts education in the borough and beyond

- Network with other London based agencies
- Develop projects and training - with opportunities for artists, schools and teachers
- Inspire the greatest number of people to participate in arts education
- Broker partnerships between artists and schools and youth and community groups
- Support our members by providing information on the arts education sector

5.13. LEAN has three main aims:

- To empower and inspire artist educators, education, health and social care professionals to be highly skilled, experienced and innovative creative practitioners and promote working in partnership.
- To provide direction, practical support and guidance to all those in a position to initiate creative partnership working in order to generate and increase the frequency of high quality creative opportunities for children and young people.
- To work strategically with key investment partners and decision makers to lobby for and secure access to creative opportunities for children and young people.

5.14. LEAN encourages national organisations to invest in Lewisham, for example Southwark and Lambeth have large arts organisations based in their boroughs, LEAN encourages them to put money into schools and education. They have explored youth led action research, such as with Visual Art for Deptford X. In addition they developed the Speak Out project, which has 18 primary schools, 2 arts organisations and speech therapists working with pupils who have communication difficulties. The programme is about creative teaching and learning, providing speech and language therapy that isn't as expensive as therapists. The programme did a year's worth of work with 20 children per school, who showed significant improvement above what was to be expected, progress that was measured by speech and language therapists. Though cheaper than therapists it is still expensive, but funding has come from a variety of sources including the Arts Council, with total funding for the project approximately £180- 190k.

Volunteer Centre Lewisham

5.15. Volunteer Centre Lewisham is the volunteer development agency for the borough of Lewisham. Kay Kelleher, Chief Executive of Volunteer Centre Lewisham highlighted the 6 core functions:

- Development - Increase diversity and quantity of local volunteering opportunities
- Promotion - Promote benefits of volunteering to all sections of the community. Provide a variety of ways to find out about volunteering opportunities
- Brokerage - Offer guidance to individuals from all sections of the community and match their motivations to available volunteering opportunities



- Enabling Participation - Target assistance to people who face barriers to volunteering, inform volunteers about their rights and responsibilities and support volunteers in their voluntary work
- Information, Training, Research - Be a local source of information about relevant legislation, provide information and training on good practice in working with volunteers and undertake research into local issues relevant to the development of volunteering
- Commenting and Campaigning - Provide comment to decision-makers on the significance of volunteering in effecting positive change and improving the quality of life, campaign for better conditions for volunteers and against barriers to volunteering

5.16. In order to achieve these functions, Volunteer Centre Lewisham works with organisations and groups wishing to include volunteers in their work, individuals wanting to offer their time as volunteers and strategically locally and within London to ensure that volunteering is recognized in planning. They are involved in many local partnerships such as the local Compact agreement, Change-up, Lewisham Strategic Partnership and the Stronger Communities Board.

5.17. The Committee heard that role descriptions for volunteers are important as they allow volunteers to know what they are expected to do. Volunteers can get a lot out of volunteering but organisations need to make sure they have a good experience and are not taken advantage of. Often a volunteer manager will help this. The normal length of stay in a volunteer role can be a month or so but could be years, it depends on the needs of the volunteer and the need of the organisation. The typical profile of a volunteer, which tends to be 25-35, a characteristic which is static and not changing that much. In recent years there have been more unemployed signing up, as well as people offering different skills, such as marketing and finance. The nature of placements are changing too, with more fundraising roles. In addition there is a need for trustees who are skilled and able.

#### City Bridge Trust

5.18. For a wider context, Sandra Davidson of the City Bridge Trust provided a view from the point of a funder that operates across London. Most grants provided by the City Bridge Trust are revenue grants that provide 3 years of funding and look for sustainable projects to support. The average grant is provided is £70 000 and for any grants over £25 000 there needs to be a detailed proposal. The City Bridge Trust used to run a small grants programme, though this closed in 2008/09. The smaller grant scheme allowed growth for organisations and bridged across to larger grants as organisations became more stable. A recent project, Accessible London, used smaller grants and this had a high success rate.

5.19. City Bridge Trust is developing strategic initiatives that allows commissioning of services and research. They are also encouraging volunteers to be involved in the organisations they fund, something that the trustees of The City Bridge Trust are keen to see as well. They work with other funders, such

as councils, to make sure the Trust is not the sole funder for an organisation. They are keen for other funders to be involved and offer match-funding, but will not be the single largest funder of an organisation. The Trust is also a member of the Association of Community Foundations and encourage cross-working and collaboration.

- 5.20. The Trust provides capacity building support. The grants provided are not always 3 year grants and can be shorter if required. There is no small grants programme at the moment, but this is going to be reviewed next year. Formerly small grants were up to £5k and Members were keen for the small grants programme to be re-established. The Trust is the largest single funder in London and as such communicates a lot with other organisations to make sure they know what is happening, to consult and to bring information back to inform trustees. This allows for good strategic thinking and analysis of trends. Information about funding is posted online in order to get as much transparency as possible.
- 5.21. Sandra Davidson highlighted that The City Bridge Trust are very conscious of the economic situation and the impact it will have on people and organisations. However the first priority for the City Bridge Trust is always maintaining the bridges. The Trust funds organisations in Lewisham, and support Volunteer Centre Lewisham and Arts Opportunity Trust.

#### Other inputs on capacity

- 5.22. The Committee also heard from the RSA Connected Communities project, which is looking at relationships and the patterns of relationships in order to understand social networks. From the report it is possible to see the impact of voluntary groups, with community and voluntary groups acting as a connection generator. There are also areas of resilience and hubs that acts as bridges. Community Centres acted like this, as well as private sector institutions such as cafes, pubs and the local Sainsbury's. The nature of networks is often influenced by the practices and structures of community organisations. Networks of people who engage with community-based organisations are dependent on the practices and regulations of those organisations, including seemingly trivial protocols. For example, the way meetings were held, how often field trips were undertaken, the formality of language, and the extent to which users of the centre were able and encouraged to loiter, all influenced the availability of social capital and were often mechanisms for producing social inequality. Thus through imitation, there is a danger of perpetuating 'unhelpful' practices, particularly if their potential impact is not realised.
- 5.23. Peter Grant from the Cass Business School outlined to the Committee that there is a hierarchy in the community and voluntary sector and that umbrella organisations can be come almost a bureaucracy in themselves. There can also be a point at which charities become too big, with the most effective groups being user-led groups. He also pointed out that lots of the problems charity is trying to eliminate are problems that need subsidising or are

subsidised already by the state. Therefore there is an intrinsic link between state and voluntary sector.

- 5.24. Philippe Granger of Rushey Green Time Bank provided a perspective from the point of a voluntary organisation operating within the community. He emphasised that the situation is difficult at the moment as funding is increasingly difficult to obtain. Funders don't fund eternally and like to support new projects. However, new projects means new work. Because RGTB is 11 years old it is harder to attract money than a new time bank. Due to being constantly busy it is easy to miss things such as governance and insurance, HR and changes to legislation. Whereas in large organisations you would be able to consult and talk to other people, or go to the relevant department, small organisations are unable to do this.
- 5.25. Representatives from Lewisham Pensioners Forum spoke to the Committee about the work they carry out. They indicated that they had faced a general decline in funding, with competition for funding increasing. This included a cut in their funding from Lewisham, which would have covered 2 full time staff and administration costs. Because of the reduction they have had to top-slice staffing costs. They have looked at funding from different sources, though it is time consuming to apply for it.
- 5.26. Lewisham Pensioners Forum offer a strong network for older people in Lewisham. Current projects include a survey on sheltered housing, where they spoke to older people to gather information. It was felt the research had gone well, as it was pensioners talking to pensioners people felt more comfortable and able to open up. They received funding from the union UNITE to pay for it. They also provide advice services, such as signposting and helping to arrange appointments as well as offering advocacy services, including getting in high profile speakers to events.
- 5.27. Northbrook Park Community Group submitted information to the review, they are aiming to transform a rundown local park into a park for the whole community to enjoy. They receive money from grants as well as donations of money and materials as well as free labour from local companies. There are 8 volunteers with the group. They have gained advice and help from the Parks department of Lewisham Council and Groundwork London. Advice was helpful and easily gained. They are aware of other groups doing similar work and have occasional contact with them, mostly to share information.

## **6. Building the capacity of the community and voluntary sector**

- 6.1. VAL established that there needs to be a match between the passion of wanting to help and the rational business side of it. The reality is that people like to have influence within their organisations, and that partnerships mean that people's own organisation could lose its identity. Members agreed that there can be fears of groups losing their identity, especially if the use or sharing of a resource such as a community centre is an issue.
- 6.2. However, Members felt that there should be a way to 'push' organisations together to co-operate. It was noted that there are occasions where new organisations are created that are carrying out similar activities to other organisations located nearby and that encouraging communication between them would be useful. VAL do try and pick this up in the early stages and avoid duplication where possible.
- 6.3. The RSA Connected Communities report highlighted that building connections is hard, but it can be done between people with similar experiences, though it is important that you don't reinforce preconceived notions and bring different people together in non-confrontational environments. In addition, it was pointed out that building and sustaining connections should be a factor in commissioning and funding community groups. The role that the council can play in promoting connectedness and social networks without imposing and overbearing. However, the nature of community engagement can be a challenge as it can be awkward to do and face dangers of people being overly suspicious or presenting a series of wish lists. The key seems to be that the council is aware of itself and its role. The council is not the social network, but can support what goes on. There is hidden wealth and assets that are already there and the council has a strategic overview that can identify areas of need and flag this up.
- 6.4. Support for community groups and empowering and wellbeing is needed to build capacity. Small groups are dependent on voluntary workers and there needs to be a balance between volunteerism and the voluntary and community sector which needs funding.
- 6.5. The public sector can foster a mutually reinforcing system pressures through funding requirements, processes and language. Imitation can drive the professionalisation of organisations within this system, but can also foster behaviours and practices that serve to exclude. Imitation is a powerful mechanism for the contagious spread of social phenomena that needs to be understood in the design of interventions, particularly those concerned with behaviour change and the development of the Big Society.
- 6.6. The key components of any strategy that seeks to build social capital are the effective use of existing social networks, and the shaping of new ones. At a minimum, use of existing networks requires understanding the connectivity of key nodes in that network, while the shaping of new networks requires skills of network weaving (deliberately building relationships and supporting

collaborations between people, and between people and organisations) and understanding the larger scale 'meta-networking'.

- 6.7. A perceived barrier to effective community networking was the way that funding is structured, what is classed as an outcome, and how these outcomes are measured, with the result that, as pointed out by a respondent in the RSA report, 'connecting people is not measured in the funding we get, maybe there needs to be more scope for things like this '.
- 6.8. Peter Grant of the Cass Business Schools highlighted that up to date and pertinent knowledge of the sector in an area is incredibly useful, but that there is always a danger of substituting the knowledge of your own and imposing it on the wider borough. Longer term and systematic trends are occurring right now. Support for the voluntary sector tends to decrease during times of recession. Structural and sectoral support is very important to smaller organisations and makes it easier for them to survive if they have that. Therefore umbrella and support bodies are very important. Major national charities are not going to disappear, but small community bodies that can have huge impacts at a local level are often in danger. LEAN highlighted this with regards to Arts funding, which often suffers from cuts in hard times. Arts funding is hit disproportionately and there is fierce competition for funding, with not as many opportunities for attracting philanthropic contributions. However, it is important to realise that creative industries need subsidised industries to generate the skills that can be then used in the private sector. Arts are of huge importance for a number of reasons, including changing behaviours/cultures, exploring emotion, building confidence and communication skills, promoting resilience, as well as bring fun to do.
- 6.9. While cross-pollination across organisations is useful, fresh new ideas are needed but hard to find in the voluntary sector. There is a tendency for a 'flavour of the month' approach to occur. There is innovation, but there is a problem in putting a badge on it. There are already effective ways of addressing age-old problems, that don't necessarily need brand new ones and brand new ones not necessarily more effective.
- 6.10. Sandra Davidson of City Bridge Trust expanded on the support on offer for smaller groups and how this can build capacity. There was a programme, aiming to improve services for older people programme. The programme found that groups often weren't knowledgeable about support on offer from organisations such as VCS. Many had no insurance, lacked knowledge of other projects or of how to recruit staff and volunteers. They often had very small, shoestring budgets and had never been visited by anyone. Despite their enthusiasm the organisations often needed handholding and support and very largely appreciative of hands on support. Some did struggle and felt threatened by more formal processes, but signed up for a package of support. Discussions focussed around what is coming for the organisation and thinking about the future helped organisations plan and develop. The outcome was that some obtained more funding and stabilised. The Trust acted as a 'reference' for applying for funding to other organisations.

- 6.11. What survival tactics small organisations can use to carry on and whether mergers will be necessary is a key question and is something the Trust has been asking about with organisations, with indications being that reducing staffing, either through hours or actual jobs is a possibility, as well as reducing activities or maybe even folding a service completely.
- 6.12. Philippe Granger of Rushey Green Time Bank highlighted the drawbacks of the small size of the organisation, which can hold it back as there can be a lack of relevant skills. They have a vision for the work they want to do in Lewisham and the scope to scale it up, but the gaps hold it back. Improved access to knowledge that is out there is important for smaller groups. Mentoring opportunities are useful as expertise of small organisations is limited, so there can be a need for some help and more knowledge or experience. There is also the difficulty in building reserves to invest in expansion as it isn't possible to use funding to build reserves. Also there is the importance of letting people know about what's out there in terms of voluntary organisations and support for them. This will help with feelings of trust and security for people coming to help.
- 6.13. Philippe Granger also identified the need to harness small organisations' passion and leadership by increasing the connection between organisations so people aren't on their own. There is a lot of passion and enthusiasm in Lewisham, but it may be better to join up enthusiastic people with existing organisations rather than just starting up new groups doing similar things. The prospect of mergers is something that many people could see happening, but that others don't want to as they have their own vision and their own project that they have developed themselves. A problem with this is new projects versus core-funding, and the tendency for funding to chase new ideas. There is a need to influence other funders, as well as Lewisham Council to make sure that new initiatives are a development of the core function and are sustainable, not just new for the sake of new. In addition this could protect the stable organisations in current situations. Those recognised as providing services and spinning services out to the voluntary sector via commissioning.
- 6.14. Cllr Millbank spoke to the Committee about the community and voluntary sector in general, explaining that when groups take on funding, premises or staff then it transforms them. People don't know to go to organisations like VAL or don't want to. Often there are organisations with new ideas that aren't new, they are simply unaware that its happening already elsewhere in the borough. The role of trustees is important and the Volunteer Centre is looking to promote this role.
- 6.15. VAL explained that it seeks to work closely with other infrastructure organisations, especially Volunteer Centre Lewisham, Lewisham LINK, LVSTN (Lewisham Voluntary Sector Training Network), and prior to its demise REAL. The ChangeUp Voluntary Sector Strategy Group, co-ordinated by VAL, provides a forum for organisations providing infrastructure services to come together. Further development is needed.

- 6.16. The independence of an organisation can often be jealously guarded, with people very resistant to mergers, this is valuable as it is an indicator of the passion and drive that exists within the community and voluntary sector. The commitment, time and effort makes organisations work and the fierceness of the way that people fight for their organisations is vital. Many organisations were founded to address a social or community need and sometimes this is in conflict with a rationalised business efficiency model. There is a balancing act to getting well run organisations that are efficient and maintaining passion and drive.
- 6.17. Partnerships between frontline organisations do exist but are not easily achieved. Partnerships are time-consuming, and volunteers often need or prefer to concentrate solely on maintaining their own organisation. Developing collaboration and partnership working also requires skills that may not be present in all organisations.
- 6.18. The Lewisham Pensioners Fund have a vibrant, diverse group that are involved and identified that they have been doing what the 'Big Society' is about all along. They did identify the need to support and encourage campaigners and advocates who are willing to stand up and offer criticism of the way things are run, something the Committee sympathised with. They also stressed that there needs to be good quality advice services and signposting towards these services.
- 6.19. The Northbrook Park Community Group would like to build capacity their capacity, such as having a bigger group to share the workload and volunteers to do specific tasks (such as feed the birds at lunchtime). They identified that support from an organisation like the Council would be useful to bring people in and help encourage volunteers to join groups. Improving access and awareness for people to get involved in volunteering. In addition, better access to information on funding streams and sharing Council knowledge with the community and voluntary sector would be vital. If this could be done online then people would have access outside office hours, which is when many of the group do work for it as they have full-time jobs.

#### Transforming Local Infrastructure.

- 6.20. Martin Howie spoke to the Committee about the Transforming Local Infrastructure project, which is funded from the Office for Civil Society with the Big Lottery Fund running the process. Infrastructure for the 3rd sector did not interest the new government to start off with, but after intense lobbying from national organisations it got on the agenda. The Office for Civil Society (OCS) has made up to £30 million available in short-term funding, to provide better support for front line civil society organisations by transforming local infrastructure services. Transforming Local Infrastructure will fund partnerships of local infrastructure organisations to rationalise and transform the support services which they provide to front line civil society organisations. The Fund will support activities such as:

- local collaboration and consolidation making efficiency savings and creating more effective organisations through asset consolidation, merger of back-office functions and shared services
- redesign and integration of services to meet the changing needs of groups and communities, so they are valued and supported locally, and play a crucial role in brokerage
- better links with local business; more peer to peer support within local voluntary sector, and stronger partnership with the local statutory bodies, particularly the relevant local authority
- sustainability in the long-term without ongoing support from central government.

6.21. The aims of it are:

- Frontline civil society organisations can access a wider range of high quality support, networking and volunteering brokerage opportunities and value them more highly.
- There is stronger local leadership for civil society organisations which contributes to better partnerships with local businesses and statutory sector.
- Infrastructure organisations, including volunteering infrastructure, are transformed so that they are more efficient, effective and are able to learn and grow with less dependence on state funding.

6.22. Lewisham will be bidding for money from this fund, with a bid of £385,000. This will create and deliver a wide-ranging and more accessible menu of support services to frontline organisations through a consortium of infrastructure organisations working as a co-operative unit. VAL have had 15 or 16 different infrastructure organisations involved, though 6 will be lead partners. These will include VAL, LEAN, VCL, Lewisham Disability Coalition, Lewisham Refugee Network and Pre-School Alliance. This will be an active consortium in charge of delivery of the programme. VAL have carried out engagement, including 12 or so pieces of research that organisations have done looking at frontline organisational needs. However, there is a need to develop new forms of engagement and community leadership. The funding is needed to address 2 main areas; bringing about changes across the infrastructure partnership to enable us to work together more closely and effectively (an internal process); and also to develop and pilot our collective service offer for front line organisations (an external service). The decisions on funding will be made by the end of January and funding will run to September 2013, with all the money having to be spent by then, which will be a challenge.

6.23. The outcomes from it will include:

- A dynamic consortium of local infrastructure organisations is created; the currently segregated support services are replaced by a co-ordinated programme of services that enables us to develop, support, influence and connect with frontline organisations more effectively.
- Frontline organisations have easier access to the type and level of support they need and value with multiple entry points to a collective offer provided by a consortium of local infrastructure organisations.



- Infrastructure and frontline civil society organisations have increased capacity to deliver services through volunteer involvement using recognised best practice.
- Infrastructure and frontline organisations will be stronger and more economically resilient through the maximisation of business relationships including employer supported volunteering programmes and corporate giving.

6.24. Having begun this task of working co-operatively together, it will continue irrespective of the funding outcome. However, it is very time-expensive process and without the additional resources the pace will be less intense.

## **7. The Future Role of the Community and Voluntary Sector**

- 7.1. The RSA report on Connected Communities suggested that the use of 'familiar strangers' such as refuse collectors or park wardens, could promote social networks and connectedness by using word of mouth and getting messages out into the community. It was highlighted that there are problems in doing this due to the way that people work, especially the performance management culture. An example of refuse collectors was highlighted, whose performance doesn't take into account the full value of what the role is, it is simply the efficient collection of refuse rather than a community role.
- 7.2. Peter Grant of Cass Business School talked to the Committee about the future role of philanthropy in the current financial and funding climate. His view was that philanthropy will not be able to step in and fill the gap in funding and the of philanthropic giving is less now than in previous eras. This view was largely supported by Martin Howie of VAL. Also philanthropists spend their charitable money on opera houses or buildings with their names on or spend it on government-funded services like education . In terms of giving the UK is comparable to Canada, Australia or New Zealand and gives more than other countries in the EU. A future approach could be to change the ideas of giving and philanthropy, such as giving locally. Many people think of causes rather than communities or geographic locations. The concept of geographically based social impact bonds has been explored in places such as Peterborough and Essex.
- 7.3. Philippe Granger from Rushey Green Time Bank indicated to the Committee that there are increasing pressures to move to a social enterprise model and a high expectation that this approach is appropriate for many organisations. However it is not always relevant for organisations as organisations need business skills and there is not always a product to sell.
- 7.4. Philippe Granger did suggest that internships for people, especially young people, with voluntary and community sector organisations could give them vital work experience. This could be a win-win, giving needed skills and help to small groups while providing good experience. The issues would be how to organise this, how to advertise, connect and support, and whether this could be something to champion in Lewisham.
- 7.5. The Committee also discussed the roles that councillors play in community and voluntary sector organisations as active members of their local communities, as well as potential conflicts of interest that could arise from these roles. The Committee felt that there was a need for greater clarity and discussion in order to establish what was appropriate or not in terms of councillor involvement in these groups.
- 7.6. Northbrook Park Community Group believed that voluntary and community organisations could end up providing services in the future that the Council provides now. An advantage to this could be that groups would be able to access funding that a Council may not be able to.

- 7.7. The sharing of assets and whether more can be done with asset transfer is also a large concern for the future role of the community and voluntary sector. Asset transfer may be possible where organisations have assets, the issue within Lewisham is that businesses don't have assets. Faith-based organisations may have assets, while community centres have established users. This can lead to problems with sharing premises as organisations can understandably feel a deeply ingrained possessiveness over where they have traditionally been based. VAL haven't pursued the issue of assets with the transformational bid as there are other priorities ahead of this one. Lewisham Pensioners Forum felt that further help with seeking out and hiring venues would be useful as this can be expensive.
- 7.8. Generally, there are enormous pressures on the sector, including from the government's 'Big Society' agenda. Though Big Society has not been discussed in great detail during the review, it has been touched on and groups such as VAL feel that it is based on business private sector approach that doesn't necessarily understand how voluntary sector works. There is a need to balance efficiency against effectiveness.