

CABINET

18 February 2019

Title: Voluntary, Community and Social Enterprise Sector Strategy	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report	For Decision
Wards Affected: All	Key Decision: No
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Summary <p>Over the past few years, the Council has undergone a period of significant change, which has focused on establishing a new kind of Council that transforms the way it delivers its services, as well as facilitate a change in the relationship with residents. The Borough Manifesto set out the long-term vision for the borough and the new Corporate Plan 2018-2022 articulates the Council’s vision and priorities for the next four years.</p> <p>Within this context it is essential that the Council and partners works with the voluntary, community and social enterprise (VCSE) sector to fulfil the ambition for residents. The ambition cannot be fulfilled without the sector. While steps have already been taken, more is required with regard to the role and capacity of the VCSE sector and how the Council can support it locally in order to promote a strong community.</p> <p>The VCSE strategy “ Participation and Partnerships” for 2019-2013 at Appendix 4 sets out the four year vision for strengthening the voluntary, community and social enterprise sector, and for building on some of the great ideas from the community to meet the ambitions as a borough. The goals are:</p> <ol style="list-style-type: none">1. Increasing participation2. Enabling and embedding relationships based on trust3. Building the sector’s capacity <p>The report also outlines the options for supporting the VCSE locally and asks Cabinet to agree the procurement of that support and the steps to support the local giving model.</p>	
Recommendation(s) <p>The Cabinet is recommended to</p> <ol style="list-style-type: none">(i) Agree the Participation and Partnerships Strategy for strengthening the voluntary, community and social enterprise sector in Barking and Dagenham, as set out at Appendix 4 to the report;	

- (ii) Note the local giving model update at Appendix 3 to the report and proposed next steps within the strategy;
- (iii) Agree that the remaining Crowdfunding budget be ringfenced for 2019-2021 to support both the contract with Crowdfunder UK and the match-funding small grants fund;
- (iv) Agree the procurement of a VCSE organisation to deliver the social infrastructure support and a local giving model, as detailed in Option 4 in the report; and
- (v) Delegate authority to the Director of Policy and Participation in consultation with the Cabinet Member for Community Leadership and Engagement, the Cabinet Member for Social Care and Health Integration, the Chief Operating Officer and the Director of Law and Governance, to conduct the procurement and award and enter into the contract for social infrastructure support and all other necessary or ancillary agreements with the successful partner, in line with the priorities set out in the proposed VCSE strategy.

Reason(s)

Cabinet should agree these recommendations to develop the council's approach to supporting the vital role of the VCSE sector in achieving a shared long-term, resident-led vision for the borough, as set out in the Borough Manifesto. This is in line with the council's priorities of a New Kind of Council; Empowering People; Inclusive Growth and Citizenship and Participation, to ensure that 'no-one is left behind'.

1. Introduction and Background

- 1.1 Our Borough and the context within which the Council operates has changed radically over the last decade and will continue to change for the foreseeable future. These are challenging times with austerity set to continue, coupled with population change, increasing statutory responsibilities, rising demand, government policy changes and, for too many years, stubbornly low relative outcomes across several key indicators for residents.
- 1.2 Responding to this context, over the last four years, our approach has been to review how we work. The Council's transformation programme is predicated upon a less paternalistic relationship with residents. At the heart of the changes we have made, is our community and a recognition that it is residents who are the key to making the borough 'a place people are proud of and want to live, work, study and stay'.
- 1.3 That is why we have engaged with over 3000 residents to deliver a clear, and long-term vision for the borough, known as the Borough Manifesto. This has informed our Corporate Plan, which focuses on delivering these ambitions through the lens of 1) inclusive growth; (2) enabling greater independence and capability, and (3) participation and engagement. Core all three is a thriving VCSE and support individuals to help themselves.

- 1.4 Delivering better outcomes is a shared endeavour. Many local organisations, institutions, partners, and stakeholders are equally signed up to delivering the Borough Manifesto vision and aspirations.
- 1.5 From a service-delivery model aimed at 'meeting needs', our role is now to empower individuals, families and communities; enable them to grow their own skills and capabilities, and to shape and own the change ahead. In practice this means the Council acting as broker, investor, champion and the provider of those pivotal and uniquely public sector services that have the power to change lives for the better.
- 1.6 Barking and Dagenham has a proud heritage of community activism and VCSE groups are at the heart of this heritage. This culture of community, giving and sharing is juxtaposed against a high churn amongst the resident population, providing a much-needed anchor in times of change.
- 1.7 Within this context the Council is seeking to adopt a clear approach for our relationship with VCSE organisations which can embrace a more participatory direction and work with the sector. This strategy outlines the Council's vision for supporting the local VCSE to improve outcomes and promote a thriving community.

2. **National and local landscape**

National landscape

- 2.1 Charity organisations are facing challenging times. Continued reductions in public funding, changes to commissioning, growing demand for services, the increased complexity of the issues that people face and, in some instances, dents to its reputation have all placed considerable strain on the sector.
- 2.2 Boundaries between the roles of the public sector, business and the voluntary and community sector are shifting with, notably, a rapidly growing social enterprise sector. According to Social Enterprise UK, there are 100,000 social enterprises in the UK, 25% of which are under three years old. The sector is now worth £60bn, representing 3% of UK GDP and 5% of the UK workforce (Social Enterprise UK, 2018).
- 2.3 Whilst a growing number of businesses adopt a 'social' lens, charities' sense of identity is also in flux. According to New Philanthropy Capital (NPC), many leaders are ambivalent about describing themselves as 'charities' in the traditional sense. There is a shift to a language of 'causes', or 'movements', which are seen as catalysing support. For Charity Commission Chair Baroness Stowell, some of these changes suggest that the concept of the registered charity may not remain the primary vehicle through which people express their charitable instincts into the future (Baroness Stowell, 5 October 2018).
- 2.4 In this increasingly blurry landscape, the government's Civil Society Strategy speaks of civil society in terms of activity rather than organisational form, i.e. "all individuals and organisations, when undertaking activities with the primary purpose of delivering social value, independent of state control" (Cabinet Office, 2018). This broad definition widens the group of stakeholders to include charities, public service mutuals and businesses with a primary social purpose. A slightly different approach is proposed in London Funders' The Way Ahead: "civil society is where people take

action to improve their own lives or the lives of others and act where government or the private sector don't" (Srabani Sen OBE & associates, 2016). This definition includes voluntary and community organisations, informal groups and individuals but appears to exclude social enterprises.

- 2.5 Nevertheless, there is widespread agreement that the sector needs to evolve. The civil society futures report calls on everyone in the sector to adopt a shared pact, and to work with the market and the state to re-thread our social fabric, rebuild our democracy and respond to the challenges of a rapidly changing age. The report proposes four commitments that will help achieve this aim: from sharing more decision-making and control, to being more accountable to each other and future generations, and from broadening and deepening connections with people and communities to devoting the time and resources necessary to build trust (Unwin, 2018).

Local landscape

- 2.6 The council has conducted research and interviews to build a better understanding of the challenges and opportunities of the sector locally and beyond. This has helped to inform the development of the strategy, and included:

- an overview of the general trends in the VCSE sector nationally, as well as a comparative analysis of what is taking place in other boroughs, including other local giving models and approaches;
- research on groups' current approaches to fundraising, including with regard to crowdfunding and the local lottery;
- overview and analysis of Council's VCSE spend in 2017-18.

- 2.7 In addition, BDCVS were commissioned to conduct a research project into the role of VCSEs in achieving the Borough Manifesto outcomes, that runs parallel to this work - the funding for this was £41,000 (see Appendix 2 for summary or findings). The key observations/recommendations of this research include:

- The number of charities saying they are operating in B&D and those actually based (and therefore more likely to be providing services to residents and investing locally) in the borough needs to be understood through further research. This distinction has not been made historically, and an understanding is needed to build a more accurate picture of the sector.
- Not for profits in B&D seem to be smaller than their peers nationally and in London.
- Only 33% of charities are based in Barking with the majority based in Dagenham. Dagenham groups are more likely to operate from people's homes. Future meetings should perhaps therefore operate out of Coventry University to be more accessible, and Commission Watch meetings moved to the evening to support what appears to be more volunteer-led community action in Dagenham.
- Given the largest provision (after faith activities) is advice, information and advocacy there is opportunity for greater shared working with Community Solutions.
- Voluntary sector provision has not kept up to date with the demographic churn locally, with a low number of equalities-oriented organisations. BDCVS has filled this gap and may need to look at the reintroduction of an equalities forum for the sector.

- There are 593 CIOs, registered charities, industrial provident societies and CICs; and 27 other unincorporated organisations in the borough. This brings the total number of not for profit sector organisations at a minimum of 620. The largest sector is faith-based organisations, with an income of approximately £7.8 million. Non-faith-based charities represented an income of approximately £12.4 million.

- 2.8 Using a methodology that focuses on charities' area of benefit (AOB), the Centre for London calculates that there are approximately 0.7 charities active locally per 1000 population in Barking and Dagenham. This is, with Brent, Hounslow and Newham, one of the few boroughs that have less than one charity per 1,000 residents (Harrison-Evans, Rogers, Belcher, & Colthorpe, 2018).
- 2.9 By comparison, central London boroughs like Camden, Hackney and Westminster have between three and four times more charities per head of population that have at least some form of local activity. Albeit by a small margin, neighbouring boroughs' charity sectors still fare better than Barking and Dagenham, with just over 1 charity per 1,000 population in Redbridge, Havering, Bexley and Greenwich (Harrison-Evans et al. 2018).
- 2.10 The Barking & Dagenham VCSE sector also has a greater proportion of small charities, with an income of under £100,000. 76% of charities based in the borough have an income of less £100,000 and would be considered as micro and small scaled enterprises.
- 2.11 Some of the larger groups have developed their capacity and are delivering significant programmes with external funding from the Big Lottery, the Arts Council and other funders. Several independent funders such as City Bridge Trust however report low levels of funding locally.
- 2.12 With over £8.1 million distributed to local charities between 2012 and 2018, Big Lottery is by far the most significant external donor in Barking and Dagenham, with Sport England (£0.8 million) and City Bridge Trust (£0.6 million) following with smaller initiatives. However, there are considerable variations in the amounts raised from Big Lottery from year to year, and Barking and Dagenham lags behind most of its neighbours when it comes to attracting external funding from independent trusts and foundations.
- 2.13 The Council remains the largest funder of VCSE groups in Barking and Dagenham. Internal spend figures indicate that the Council commissions for approximately £8.2 million in charities and community interest companies (2017 estimates). In comparison, Tower Hamlets and Islington have issued contracts for a total value of £34M and £33.5M respectively, with just under half of this amount for Southwark (Figure 1). Whilst the likes of Islington, and Lewisham have grants budgets of £2.7M and £4.5M respectively, others such as Redbridge and Havering are more modest (£700k and 270k respectively).

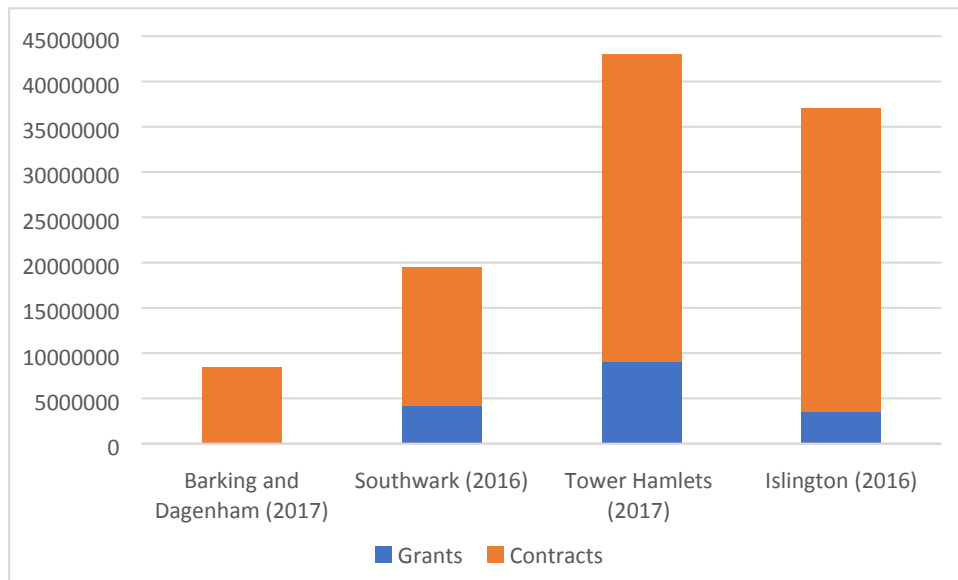


Figure 1 - LA's support to VCSE

- 2.14 Lower levels of volunteering are also reported in Barking and Dagenham than in the rest of England. In 2017, the LBBDD Resident's Survey identified that just one in five (23%) residents had volunteered in the last 12 months, compared to the national average of 42%, although the London average is lower too. However, we know that residents do a significant amount of informal voluntary work, such as religious activity and unpaid care for others.
- 2.15 Within this context the VCSE sector in the borough is delivering a range of services to and with residents. These range from essential support for people with social care needs, through to information and signposting support across faith communities and the wider sector, to activities promoting healthy lifestyles, engaging with our communities through the arts and heritage, and local community groups such as tenants and residents' associations and uniformed organisations. All of these groups and activity make up the variety of the sector locally.
3. **Steps taken to date**
- 3.1 The approach taken by the Council has sought to create a favourable environment for VCSE organisations to grow, engage with residents and, in line with its new approach, to take an enabling role rather than the more traditional controlling and shaping role. A key element of this approach has been the establishment of the Participation and Engagement team to provide a point of contact for VCSE organisations, and lead on a number of strategic initiatives in the last two years, alongside colleagues in the Council and the sector locally.
- 3.2 The Participation and Engagement team's responsibilities have included strategic relationships with local VCSE organisations, including faith organisations, commissioning the infrastructure support and supporting the engagement of the Council where required, as well as developing bids for external funding. Efforts have also been made to develop relationships with external partners leading to investment both in VCSE organisations locally and support to the Barking and Dagenham Delivery Partnership (BDDP).

- 3.3 In April 2017, the Council launched a local crowdfunding platform with associated small grants fund. This was followed, in October 2017, with the launch of the first local lottery in London. Ongoing developments also include the involvement of residents in the procedure for allocating the Neighbourhood Community Infrastructure Levy (NCIL) spend.
- 3.4 'Every One Every Day', which has supported more than 2000 residents to date and attracted significant external funding. As part of the initiative, residents are invited to share ideas for projects and community businesses they would like to co-launch into their neighbourhoods. The project is being embedded in frontline council services and a warehouse for residents will be opening early 2019.
- 3.5 In addition, the Council has led on a wide range of engagement activities across the community including 'Big Conversation' events and focus groups, 'Human Library', the first community cohesion hackathon, 'Belief in Barking and Dagenham', etc. There are a number of other significant initiatives that have been developed over the last few years that also have or will support the development of VCSE organisations and resident engagement locally. These include:
- The development of Future Youth Zone by Onside, a voluntary sector partner, to support and engage our young people;
 - Commissioners procuring from and funding VCSE groups locally;
 - The support of the cultural partnership and range of initiatives in conjunction with VCSE organisations;
 - The adoption of the parks and open spaces strategy which embeds opportunities for working with VCSE groups as part of the delivery model;
 - The establishment of Barking Renew as a charity;
 - The ongoing tenders for services locally predominantly across social care
 - Ongoing support and engagement through BAD Youth forum, Flipside and other opportunities;
 - The Summer of Festival programme;
 - Ongoing developments of the Integration and Cohesion Strategy, the Faith Policy and the Participation and Engagement Strategy.

4. **Our approach**

- 4.1 This report recommends the adoption of the VCSE strategy from 2019-2023. The attached strategy (Appendix 4) is summarised below and seeks to support the VCSE sector locally.

Vision

- 4.2 We define the social sector as all individuals, groups and organisations that are in the pursuit of social change, with voluntary and community, social enterprises, charities and faith groups at its core (which we refer to as voluntary, community and social enterprise - VCSE), as well as individuals and funders. All have a role to play in the borough, and all contribute to a healthy and strong society, building on the passion, skills and expertise available locally.
- 4.3 This strategy champions a healthy, independent and influential VCSE working in our community for the benefit of all. Practically, our vision for a strong VCSE means there are many ways in which individuals' ideas, projects and concerns can

develop, flourish and be addressed. It means a dense network of organisations:

- shaping and delivering essential services and support;
- helping people grow in life and seize opportunities;
- and building a better future for everyone.

4.4 Three overarching goals aim to work towards achieving this vision:

- **Goal 1: Increasing participation:** We want participation to become part of everyday life. This means practical participation, e.g. people getting together in neighbourhoods; civic participation, e.g. through volunteering in the charitable sector and social enterprise; as well as participation in the design and production of services and putting individuals and organisations at the heart of shaping the very services they rely on or help to deliver.
- **Goal 2: Enabling and embedding relationships based on trust:** Critically, it also means supporting a more collaborative approach respecting all partners' contributions as equal and coming together to achieve more. We want to improve the way we can work across all organisations. This means drawing on data and expertise to make it easier for people to collaborate, as well as creating a climate of trust between stakeholders. This also means staying focused on outcomes and learning from failures, as well as being honest with each other.
- **Goal 3: Building the sector's capacity:** Our approach is two-fold: through reimagining how we can best partner with and support the VCSE across a range of initiatives, and through reshaping approaches to commissioning and giving locally. Practically, this goal looks at how we can increase the resources available for the sector, facilitate the sharing of time, skills and intelligence, and the sharing of building and spaces..

Feedback from the public consultation

- 4.5 A public consultation on the proposed strategy took place across December 2018 and January 2019, gathering a total of 48 responses. Responses to the consultation (See Appendix 1) indicate support to the proposed vision, with nearly 80% either agreeing or strongly agreeing with the proposed vision and no respondent disagreeing.
- 4.6 Responding to what are the most pressing needs of VCSE organisations, many respondents indicate the need to build relationships to enable collaboration and partnership, as well as to support small groups through education and information, and guidance. Other needs include access to funding and spaces and several respondents pointed to the need to feel and be valued by others, including by the Council.
- 4.7 The biggest assets of the sector include its people, workers and volunteers, their energy and passion, as well as their access to residents and the trust they have in the community. This gives them local knowledge and insights in residents' lives and experience. A small number also mentioned the buildings and equipment owned by VCSEs, hinting that these could sometimes be more efficiently used. These assets support the sector's request for more co-production in commissioning to ensure that solutions are rooted in needs in order to deliver better outcomes for residents.
- 4.8 The role of the social infrastructure support is seen as key in facilitating the

collaboration across the sector with partners, as well as in supporting the sector to attract more funding to the borough. These priorities have been reported in the draft strategy and will be embedded in the proposed social infrastructure support tender.

4.9 Other suggestions include:

- Opportunities for VCSE organisations to showcase what they are doing to the Council and other organisations
- Proposal to increase transparency on funding and commissioning opportunities, with information about what groups are being funded
- A collaborative platform where demand and offer could be matched together, and learning shared across organisations
- Better communication with the Council, e.g. through an online platform
- Surfacing and eroding assumptions and building a shared understanding of the value and contribution of VCSE organisations as a way to create solid partnerships and build trust

4.10 Where possible, these suggestions have been included in the strategy, either by reprioritising existing actions to give more weight to those supported by the consultation or by adding new actions that can realistically be achieved in the lifespan of the strategy.

5. **Social infrastructure and local giving model**

5.1 There are multiple ways in which the local ecosystem can be shifted to better support the development of a thriving VCSE sector; and stronger outcomes for residents. Part of this response will be formed through our commissioning of social infrastructure support and existing local giving models. However, for the full potential of a new culture of collaborating, supporting residents and giving to be realised, connections and delivering of opportunities will be actively built. To deliver the practical relationships these exchanges are based on, we need to broker new relationships, and champion the excellent work happening locally.

5.2 The approach proposes a more collaborative and creative way of supporting residents with VCSE partners, whilst continuing to recognise the vital services that are part of the fabric of our community. In order to do this we are seeking to continue to build on the approach taken to date, which has included: supporting the sector through the contract for social infrastructure support; the establishment of the Participation and Engagement team within the council; the development of crowdfunding, local lottery and more recently the NCIL grants programme; coordination of funding bids that benefit residents; working with frontline services across partners to support residents (e.g. Community Solutions and Care and Support); and using assets to support the sector where appropriate.

5.3 In addition, there are a great variety of initiatives to community development and VCSE support operating in Barking and Dagenham currently. These include:

- North meets South Big Local in Marks Gate;
- The Thames View Community Project, funded by the Big Lottery over three years, looking to establish a local community development trust;
- BDCVS – supporting charities and wider VCSEs;
- Barking Enterprise Centre – supporting businesses, some of whom have a

community focus;

- Every One Every Day – providing the infrastructure for and supporting residents to develop their own projects;
- Theme- and group-based capacity building programmes such as Creative Barking and Dagenham and Future (Youth Zone).

5.4 These initiatives provide essential support to the sector locally and the council is committed to engaging with and supporting wherever possible, whilst recognising that we are not the key funder of most of these initiatives. In part, this again demonstrates the approach that the Council is seeking to take in collaborating with and where possible enabling the support of the breadth of opportunities operating within the borough.

5.5 Within this context the Council is proposing two specific actions:

- I. The ongoing development of a local giving model
- II. A social infrastructure support tender for the sector which will support the VCSE sector locally (see section 6 below)

Emerging local giving model

5.6 With regard to the local giving model, unlike other boroughs, our VCSE sector cannot rely on historic endowments. A classic example are the endowed foundations, that have been in existence for centuries of the likes of Cripplegate Foundation in Islington, or United St Saviour's Charity in Southwark, or City Bridge Trust, which works across London. Further details on these models are included in the appendix of the VCSE strategy.

5.7 The existence of assets such as endowed foundations in certain boroughs makes a big difference as it provides VCSEs with a safety net during economic hardships, allowing them to continue to operate when they are most needed.

5.8 More could be done to strengthen the sector as they seek to work with us to meet the ambitious goals of the Borough Manifesto. This means diversifying and increasing the amount of resources channelled to the sector, as well as encouraging and supporting individuals and voluntary groups who want to drive change locally.

5.9 The potential of a resident- and community-led local giving model in Barking and Dagenham seeking to harness the collective financial and nonfinancial resources is being developed.

5.10 As it evolves it currently includes BD Lottery and Crowdfunding (see Appendix 3 for a report as of 31 December 2018), alongside work taking place in the Voluntary and Community sector, and that which potentially can be explored with other private and public sector partners. The NCIL grant funding allocation forms another element of this model and could potentially support other elements of the programme such as the Crowdfunding match funding pot. The NCIL allocation endowment forms another element of this model. The possibilities for linking all of this to a community-led local giving model is built into the approach. These initiatives are being used to influence the culture of community funding in Barking and Dagenham within a challenging fiscal environment.

- 5.11 Ongoing developments also include agreement for the NCIL to be used to support a VCSE grants fund to ensure that residents benefit from the regeneration in the borough. As part of these developments, Cabinet agreed on the 16th October 2018 to use NCIL to create an endowment, which would fund community projects long term. The creation of an endowment is dependent on the overall amount of NCIL generated year on year, to enable an adequate level of income which could be used to fund projects. The projections on the level of funding required are being established and work will continue with the sector and partners to develop the endowment as part of the overall model.
- 5.12 It is now proposed that in support of this development that the remaining Crowdfunding budget, which was established in 2017, is ringfenced for 2019-2021. The funding, which will be confirmed at the 31st March 2019, will be secured to continue to support both the contract with Crowdfunder UK to support the platform and the match funding small grants fund.
- 5.13 The possibility of a local civil society infrastructure group or charity in the borough with grant giving powers administering a local endowment, taking in income generated by NCIL, BD Lottery and match funding for crowdfunding projects will be explored over the next twelve months. The decision-making board of any such organisation controlling local giving funding could have representation from the largest borough-based charities. The development of this model is being incorporated into the recommended social infrastructure contract in conjunction with the Council and partners.

6. **Options for the social infrastructure tender**

- 6.1. VCSE organisations locally have been supported through a contract with Barking and Dagenham Council for Voluntary Service (BDCVS) and the additional resource they bring in. The ongoing budget available is £100,000 per annum. In addition, in 2010 the Council transferred the Ripple Centre to BDCVS following refurbishment under a 25 years lease. The refurbishment was funded by the London Development Agency, Big Lottery and the Council. This is a resource that generates income to support capacity building work with VCSE organisations locally.
- 6.2. The contract with for Social infrastructure support was openly tendered in 2012 and awarded to BDCVS. The delivery starting in April 2013 for a period of four years. In April 2017, a waiver was written to allow BDCVS to continue delivering at a reduced rate, i.e. £48,000 for the period 2017-2018.
- 6.3. Currently a budget of £100,000 is available for commissioning services to strengthen VCSE organisations in Barking and Dagenham. Cabinet is asked to consider the following options, with the recommendation that Option 4 is chosen:

OPTION 1: REMOVE ALL FUNDING AND MAKE SAVING

- 6.4. The benefits of this approach could be a more open dialogue with VCSE organisations, shifting away from what could be considered as a 'representation' model. This would also potentially allow the resource to be allocated to delivery of services within the sector, through returning to general budgets.

- 6.5. However, the local VCSE sector is changing and developing and the borough manifesto recognises the importance role of the VCSE sector locally in achieving our 20-year vision. Removing all support could destabilise the sector locally and increase council staff time dedicated to convening sector conversations. Therefore, more resource may be required elsewhere to compensate for this and it is unlikely to be a saving in its truest sense.

OPTION 2: HALVE FUNDING TO SECTOR AND ALLOCATE REST TO A DEDICATED VCSE FUNDING OFFICER IN PARTICIPATION AND ENGAGEMENT TEAM

- 6.6. Continuing to fund the existing infrastructure support contractor at half the current rate would allow them to retain one member of core staff, to provide single point of contact as an advocate, and convenor.
- 6.7. In compliment to this, this option could allow for a new post internal to the Council. A dedicated funding officer could capitalise on internal relationships and resources to ensure integrated bids with strong evaluation methodologies, appealing to funders.

OPTION 3: INVEST RESOURCE INTO A LAB

- 6.8. Our local VCSE ecosystem does a huge amount to deliver prevention day to day. However, its ability to evidence this is not at the standard required for public authorities to be held accountable for shifting spend upstream at a time of extreme resource scarcity.
- 6.9. Urban laboratories have become increasingly popular to generate 'innovation'. By bringing systems thinking; capacity for co-production; and strong evaluation methods to service redesign they can accelerate growth in the VCSE and increase readiness for commissioning and social investment.
- 6.10. A Lab could focus on Borough Manifesto issues, bringing different groups together to make informed interventions; bring together system-wide actors (e.g. in case of DV: victim, perpetrator, VCSE partners, agents from across the authority and wider public sector) to map systemic inter-dependencies, and co-produce collaborative interventions. The Lab could also develop a methodology to demonstrate how ecosystem change might deliver financial savings across the local public sector and become self-sustaining through leveraging a percentage of commissions/investment from partner organisations when commissioned elsewhere.

OPTION 4 (PREFERRED OPTION): COMMISSION A VCSE ORGANISATION TO DELIVER THE SOCIAL INFRASTRUCTURE SUPPORT AND A LOCAL GIVING MODEL

- 6.11. There are multiple ways in which the local ecosystem can be shifted to better support the development of a thriving VCSE; and stronger outcomes for residents. Much of this involves closer working between public, private, and civic institutions in order to enable resident participation and wellbeing and to achieve the Borough Manifesto targets.
- 6.12. We propose the commissioning of a social infrastructure contract to lead the step

change that is required locally across the VCSE sector. The responsibilities of this commissioned organisation would respond to two aims.

A) Lead the VCSE sector to creatively address local challenges. This will include:

- Facilitating the collaboration of the sector with partners to support inclusive growth and the Borough Manifesto
- Supporting the sector in attracting more funding to Barking and Dagenham to support the outcomes in the Borough Manifesto
- Developing mechanisms to support aspirational contributions from business to the local endowment
- Supporting a measurable increase in participation and volunteering
- Representing and convening the sector
- Building the capacity of small groups

B) Develop, in conjunction with the Council and partners, a local giving model and brand over the coming year, which

- Establishes a governance mechanism for a potential endowment, from the Council, to be invested in the VCSE sector
- Manages crowdfunding and the local lottery
- Runs the NCIL grants administration and panel

6.13. The benefits of this approach are that it strengthens VCSE organisations through collaboration and creates a vehicle for investment; retains a strong convenor/single point of contact for the Council to engage with; and a focus on Borough Manifesto Targets will focus efforts of the local sector to achieve change on our core indexes.

7. **Public consultation**

7.1 The ideas and plan laid out in this strategy are the product of ongoing engagement from the council's Participation and Engagement Team, through focus groups, 1-1 conversations, discussions with other places on best practices on VCSE, and feedback from a range of stakeholders and VCSE actors locally. The direction proposed in this document was also discussed with key commissioning directors and services within and outside the Council, including Inclusive Growth, Social Care, My Place, Procurement and Community Solutions.

7.2 In addition, this strategy builds on a number of other pieces of research and consultation, including:

- In-depth qualitative work commissioned to the BDCVS with local voluntary and community groups on the future of the sector;
- A four-weeks public online consultation;
- Three public workshop sessions organised on 13 and 17 December in Dagenham Library, the Salvation Army (Barking) and BDCVS on 3 January.

8. **Financial Implications**

Implications completed by: Katherine Heffernan, Group Manager Service Finance

8.1 The proposal recommended to commission a VCSE organisation to deliver the social infrastructure support and a local giving model will be funded by the existing

revenue budget of £100k over the next four years.

- 8.2 The surplus remaining in the ring-fenced crowdfunding reserve fund will be used to pay for the contract with Crowdfunder UK outlined in the Option 4 proposal and also to award grants to VCSE organisations that meet the criteria.

9. **Legal Implications**

Implications completed by: Jonathan Bradshaw, Solicitor

- 9.1 The proposal appears to be compliant with both the Public Contract Regulations (Light Touch) and with the Council's own Rules.
- 9.2 There is no statement about the possible TUPE implications, but the Legal Section can advise on this as required.
- 9.3 In the circumstances, there is no reason not to proceed.

10. **Procurement implications**

Implications completed by: Euan Beales, Head of Procurement and Accounts Payable

- 10.1 The report is recommending an open market tender, which should result in the Council achieving value for money through the element of competition.
- 10.2 The contract value has been capped to a maximum of £400k, which is below the current EU Threshold under the Light Touch Regime, and as such can be conducted without having to comply with the full weight of the legislation but will still need to comply with being an open, fair and transparent process.
- 10.3 Based on the detail contained within the report I cannot see any reason not to approve the recommendations as set out in this report.

11. **Other Implications**

- 11.1 **Customer Impact and engagement** – The VCSE sector is key to working and supporting residents across the borough including those with protected characteristics. We will ensure that all actions recommended are weighed against their impact on residents with protected characteristics in accordance with the borough's Equalities and Diversity strategy and the public sector equalities duty. An equalities impact assessment will be made as part of this process.
- 11.2 **Health implications (completed by Fiona Wright, Consultant in Public Health) -** Developing and strengthening the social infrastructure service and local giving model to support the local Voluntary Community and Social Enterprise (VCSE) groups is very welcome and is essential to improve health outcomes and wider determinants of health (e.g. employment, housing) as outlined in the Borough Manifesto. This approach is also key to the delivery of the Joint Health and Wellbeing Strategy (themes of Best Start in Life, Early Diagnosis and Intervention, Building Individual and Community Resilience). It would be important that support of the sector is aligned with the delivery of both of these documents. It will also be

essential that in collaboration with the VCSE there is a focus on appropriate targeting, not only of “protected characteristics” but low-income groups and vulnerable groups (e.g. those with severe and enduring mental health issues, victims of domestic violence) in the development of the VCSE and associated programmes. The equality impact assessment could be a helpful tool to facilitate this.

Public Background Papers used in the preparation of the report: None

List of Appendices:

- **Appendix 1** – Summary of the responses to the consultation on the proposed VCSE strategy
- **Appendix 2** – Report on sector from BDCVS
- **Appendix 3** - Update on crowdfunding and the local lottery
- **Appendix 4** - Participation and Partnerships: A strategy for strengthening the voluntary, community and social enterprise sector in Barking & Dagenham
- **Appendix 5** - Equalities Impact Assessment