Voluntary and Community Sector Strategy

Beyond Survival: a thriving VCS in Lambeth

July 2017

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1   Introduction

1.1   The Background

Lambeth Council prides itself on having taken a different approach to service delivery to mitigate the effects of funding cuts on the community. It has adopted the vision of a co-operative council where residents will work with politicians and officers to design and deliver services. Whilst this will make it more responsive to the needs of its residents, it also means that residents are more likely to be satisfied because they will be directly involved in the services that are delivered to them.

The Council recognises the vibrancy of the voluntary and community sector in the borough and the contribution made in supporting the social needs of the diverse residents in the borough. Over the years the council has adopted a variety of initiatives in support of the sector as it has transitioned from grant funding through service level agreements to the present system of commissioning of services. Several reviews of the voluntary sector have been undertaken, the most significant being Colin Buchanan's 'Better Support for the Voluntary and Community Sectors' in 2004.

The Council has recently worked with a variety of partners including the voluntary and statutory sectors to develop its Borough Plan 'Future Lambeth' which has established its key priorities of:
- inclusive growth
- reducing inequalities and
- maintaining strong and sustainable neighbourhoods

The Council intends to broaden its engagement with VCS organisations to deliver the Borough Plan and has been meeting with a group of voluntary and community sector organisations to consider the support needs of the sector and how these needs can be met.

1.2   Purpose

The purpose of this document is to present a draft strategy that would guide the operations of the VCS in Lambeth. The strategy will also provide outline specifications for utilising the £100,000 committed by Lambeth Council to deliver support to the sector.

The draft strategy focuses on four critical issues:
- Building relationships, networks and trust between VCS organisations
- Helping VCS organisations to be resilient, especially considering public sector funding reductions
- Leveraging funding and resources into the borough
- Ensuring the VCS has a voice and can represent their communities in strategic partnerships

Concentrating on these key issues will ensure that all groups in the sector are able to benefit from support that would be provided. Lambeth VCS is comprised of over 1000 organisations providing services to the 330,000 residents in the borough.

1.3   How we developed the strategy

We reviewed various reports and documents relating to the strategy of the community and voluntary sector at local, regional and national levels. Based on this initial review we developed a methodology in which a broad range of stakeholders were involved. This included:
- 108 online interviews with the community and voluntary sector in Lambeth, about their characteristics, needs and support preferences
- 18 in-depth interviews with selected organisations on the telephone and in person. These interviews focused on the state of the sector, their support needs and services, relationships and information sources. Their views were also sought on preferences for support services and the delivery mechanism.
- 6 interviews with commissioners and funders mainly conducted face to face – their priorities, relationship with the sector and support they can offer
- 5 interviews with external Councils for Voluntary organisations in other boroughs – to elicit information on their governance, structure, services, funding and relationships

- 1 interview with a Charitable Foundation support service for voluntary sector organisations in Lambeth
- 2 events with the steering group

1.4 The state of Lambeth

The borough of Lambeth has always been associated with its diverse ethnicity and is known to be less affluent than some of its surrounding boroughs. However, it is also known for the large variety of community and voluntary organisations of various sizes working in different sectors to support Lambeth's communities.

Respondents to the main survey highlighted the major issues within the borough that they were working to resolve.

The most important needs of the borough were seen by respondents in the sector as
- poverty - financial pressure on residents were unemployed or were in low paid jobs
- adverse effects of council cuts on families who were already struggling
- housing, unsecured tenancies and homelessness
- health and mental health issues

The next most important problems were:
- isolation and stigmatisation because of the area
- lack of amenities especially where children could play and youth facilities
- general social deprivation

Other important issues seen in the borough related to
- anti-social behaviour, crime and gangs and young people at risk of committing crimes
- lack of community cohesion
- problems facing families
- lack of access to services because they did not know where to go for information
- a lack of volunteers to help in their organisation
- digital exclusion, problems of language for some of the emerging communities
- the gentrification of Lambeth

The responses confirm the picture of a borough that needs the large number of voluntary and community organisations that serve the diverse population of over 330,000 people. These responses also demonstrate that the priorities set with the borough plan to ensure that there is inclusive growth within the borough that should reduce inequalities and result in strong and sustainable communities are necessary.

1.5 A vibrant sector in Lambeth

Given the picture of a borough with many needs and several lacks, the main survey provided a clearer picture of the characteristics of organisations operating inside Lambeth. Questionnaires were sent to over 900 organisations and 108 responses were received.

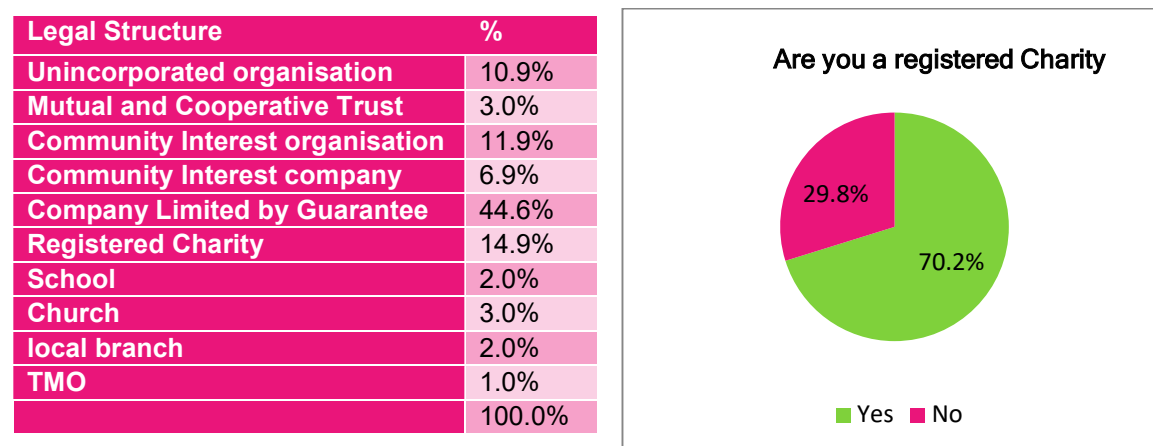Some of the key findings from this survey are presented below.

1.5.1 Borough area and years of operation
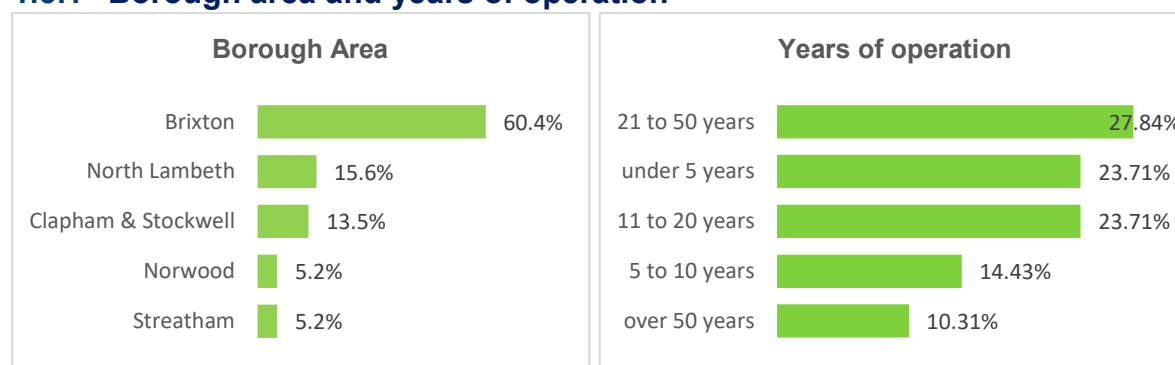
Most respondents, 60.4% operated from the Brixton area which is central to the borough and is one of the most densely populated areas in the country. The organisations were well established with just under a quarter - 23.7% - in operation for less than 5 years. Another 27.8% had been operating between 21 and 50 years, 10% over 50 years including some who had been in operation for close to 200 years.

1.5.2 Legal structure and charitable status

Most of the organisations have charitable status - 70.2%. A wide range of different legal structures was used including newer forms such as Community Interest Organisations with the most popular structure being a Company Limited by Guarantee at 44.6%.   Just over a tenth of the organisations are unincorporated.   A small number – 3% - used older legal structures of mutuals and trusts.

Legal Structure	%
Unincorporated organisation	10.9%
Mutual and Cooperative Trust	3.0%
Community Interest organisation	11.9%
Community Interest company	6.9%
Company Limited by Guarantee	44.6%
Registered Charity	14.9%
School	2.0%
Church	3.0%
local branch	2.0%
TMO	1.0%
	100.0%

1.5.3 Type of organisation and sector of operation

The sector encompasses a wide range of organisational types; with some straddling the different types. The most popular organisational type is the direct service provider followed by grassroots operators at 32.3%. In addition to these, some respondents mentioned other types of organisations such as Tenant Management Organisations, Partnership, co-operatives, church community outreach and social landlord.
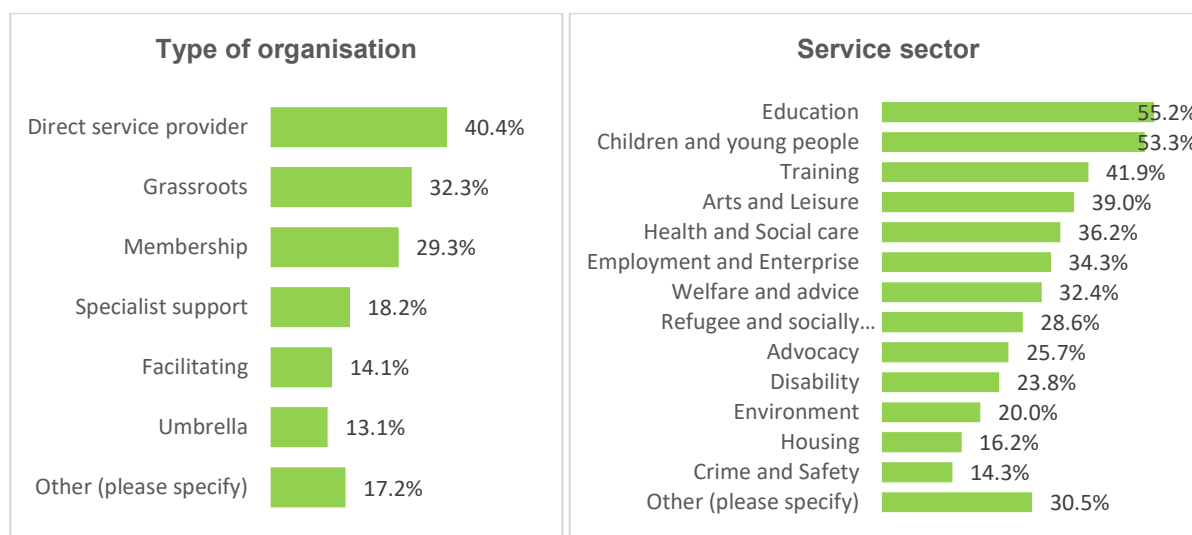
The services provided by the organisations are as varied as the needs identified. The three most prevalent services were education - 56.2%, children and young people - 53.3% and training - 41.9%. Disability 23.8%, Environment 20.0%, Housing 16,2% and Crime and Safety 14.3% were the least prevalent service delivered by fewer organisations perhaps because of the specialist and technical nature of the provision. Other services that mentioned by respondents were parents and carers, mental health, heritage, domestic abuse, religious outreach, community assets, recreation and therapeutic activities, relieving food poverty, promoting patient voice and representation.

1.5.4 Size – employees, volunteers and turnover

The survey showed smaller and larger organisations operating side by side. 31% of organisations did not have any staff, 30% had less than 5 members of staff and 28.2% employed over 10 people. 58.3% had more than 10 volunteers.

The picture of turnover showed that nearly two fifths – 39.1% - of organisations received an income of between £100,000 and £1 million, and just over a third - 36% - had a turnover of under £25,000.
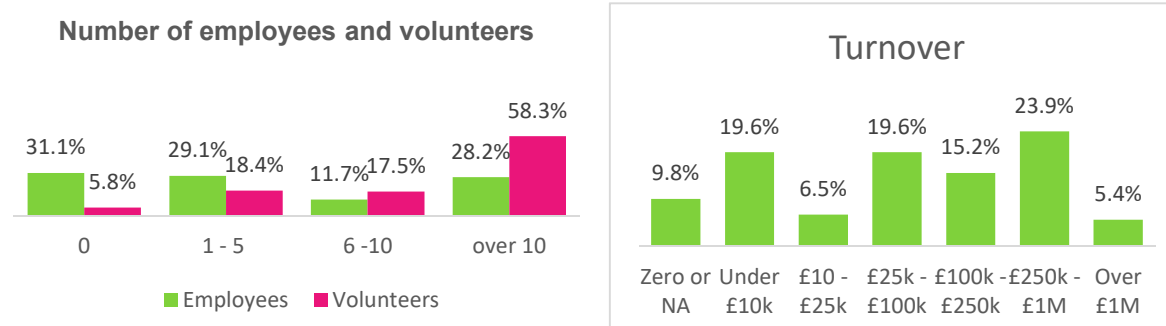
1.5.5 Beneficiaries and sources of funding

Young people 61.5%, Adults 55.8% and Black and ethnic minorities 53.8% are the major beneficiaries of services delivered by voluntary and community organisations in Lambeth. The least targeted are persons from faith groups 18.3%, people from the LGBT community 23.1% and refugees and asylum seekers 28.8%. Whilst some of the organisations said that their services were open to all in the borough, some specialist services to individuals such as ex-offenders, vulnerable adults, businesses, persons recovering from addiction, people impacted by homelessness, community organisations, local and national government and sex-workers, were identified.
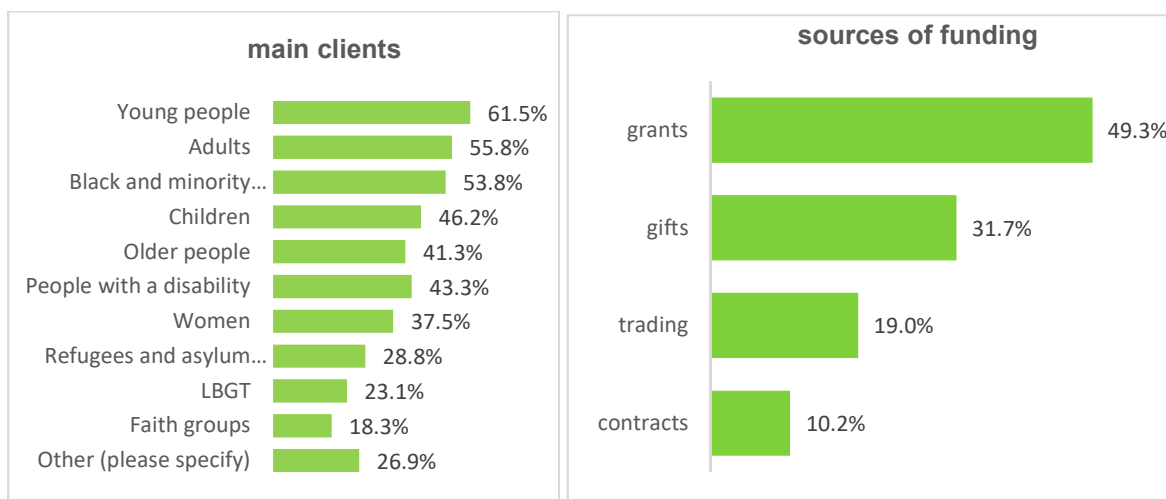
The most important source of funds were grants; 49.3% rely on this source from both the statutory sector and charitable foundations, trusts and charities. Gifts featured highly at 31.1% and included membership fees, individual donations and sponsorship from companies. Just under one fifth of the organisations generated income through open market trading activities and 10.2% were in some form of service level agreement or contract with the statutory sector. This shows that they are more adept at managing their funder relations, donor relations and customer relations but maybe struggling with purchaser relations, an indication that they are still transitioning from the culture of grants to commissioning.

The wordmap below presents in pictorial form the most important sources of funding mentioned by the respondents in the main survey

1.5.6 Funding from the council

Funds from Lambeth Council

Category	Percentage
zero	50%
under 10K	15.31%
10k - 25K	10.20%
25k - 100K	8.16%
100k - 250K	6.12%
250k - 1M	6.12%
over 1M	3.06%
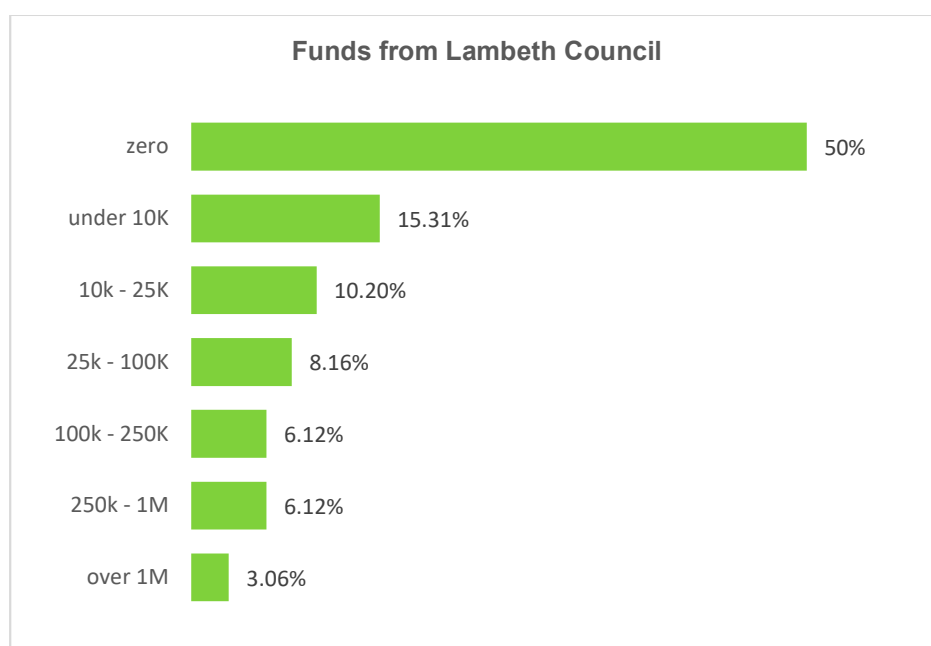
50% of organisations received funding from the local authority including 3.0% of respondents who received more than £1 million. Most respondents - 15.3% - received under £10,000.

1.5.7 Performance indicators

Most of the organisations work with relevant policies and procedures in place but less than half of respondents had staff work plans 48.0% and fundraising plans 48.0% in place. Over two fifths operated to a quality assurance standard and had external evaluation reports carried out.

Strategic Documents	%	Number
Governing document	90.2%	92
Annual Report	83.3%	85
Safeguarding policies	82.4%	84
Equal Opportunities policies	81.4%	83
Operational policies and procedures	80.4%	82
Financial policies and procedures	76.5%	78
User feedback and monitoring forms	72.5%	74
Business plans	70.6%	72
Volunteer policies and charter	69.6%	71
Recruitment policies and staff handbook	59.8%	61
Staff work plans	48.0%	49
Fundraising plan	48.0%	49
Quality assurance standards	42.2%	43
External evaluation report	41.2%	42
Marketing and media plan	36.3%	37
Other (please specify)	14.7%	15
answered question		102
skipped question		6

Some of the organisations worked with other documents such as visitor comment books, lease dilapidation reviews, building enhancement plans, lone worker policies, risk register, confidentiality, whistle blowing, computer usage, conflict of interest policies. One had an impact report for starting the ISO QMS process in quality.

2 Needs and wants

This section focuses on the organisational and support needs of the sector seen from the point of view of respondents in the main survey.

2.1 Issues and challenges

In the main survey respondents were asked to highlight the most important issues and challenges facing the sector. Their views are reflected in the wordmap below.

Several themes emerge from the analysis of the responses
- Funding or rather the lack of funding
- Representation
- Not being valued by the local authority
- Lack of affordable premises
- Absence of volunteers

Other critical issues related to
- Lack of support for the sector by council
- The absence of a viable CVS that impacted on capacity building support
- Absence of collaborative working

These issues were also echoed by respondents through the in-depth discussions with the sector. Although they bemoaned the lack of funding and things being done against the sector they also discussed what people within the sector lacked. The responses below sum up the views of the sector.

On issues and challenges
Disconnected sector, blinkered vision and no direction despite the fact of great people working in the sector
Lack of partnership, disunited, competing for resources when we could be collaborating to achieve greater things for our communities
No CVS since 2013 so really no one to coordinate the sector and build the capacity of newer organisations
No voice for the sector, when people are more interested in backstabbing each other over historical differences instead of pursuing a joint working approach with the statutory sector
We are losing out on joint tenders because we are afraid to work with each other and the council therefore ignores us by not keeping us up to date with developments

2.2 Networks and information needs

2.2.1 Networks and relationships

Most organisations were linked into a network. Respondents were members of network organisations operating at the national, regional, borough and local levels. They were also linked to sector based networks such as Health, Faith, Children and Young People, Safeguarding, Housing, Refugees and Asylum seekers, Crime and Safety, Disability, Education, Advice and Welfare, Older People. In addition, many people were involved in local fora such as the Neighbourhood Forums, the TRAs and the Walcot Peer Support Group.

The in-depth survey provided a view of how respondents viewed their external relationships. Whilst a few respondents did not see the benefits of belonging to networks and felt that some of these forum and networks were just talking shops that added nothing to their organisations, for a majority these relationships provided some benefits. Relationships provided an opportunity to
Get to know what was really going on around them

- Widened their reach within the community
- Gave them some credibility and profile to be seen doing things
- Deepened their knowledge about the local area
- Gave them an opportunity to influence others

Some of the comments from respondents are below:

On networks

Do many networks, takes a lot of my time but sometimes not very useful

I belong to several networks and that helps me get a bridge into the local community

As a small organisation belonging to forums helps me establish relationships into the outside world

Attend the peer support group of the Walcott Foundation who have helped with business plans

Neighbourhood forum presents an opportunity for training and joint working

Homeless Link - cheaper training for members, newsletters, resources

Pan London Social Enterprise UK, Unlimited provide policy understanding at macro level

2.2.2 Information needs

Several respondents in the in-depth interviews were concerned that a communication deficit within the borough meant they found it difficult to get relevant and useful information about the borough.

Most information about the borough and their sector is received through

- Word of mouth
- Emails from the council
- Council newsletter – the green one
- Forum and meetings that they attend

They would prefer a more systematic method for receiving information. They would like information on:

- the community
- the voluntary and community sector
- their specific field of operation
- events, meetings and seminars
- tenders and collaborative work
- funding and contracts
- insight into statutory sector and businesses and the drivers for their operation
- topical issues of interest to the sector

Some of the comments on informational needs are provided here

> **On information needs**
> *Verbal information could degenerate into gossip and cannot always be trusted*
> *Weekly newsletter will be useful*
> *Too much information from different sources becomes an overload*
> *Systematic and regular information needed*
> *Nothing from the council but I receive good information about local funding opportunities, public health issues, local collaborations from Croydon CVA*

2.3 Support and delivery
2.3.1 Support

Finance and fundraising - 64.9%, Capacity building - 50.5% and consortium and partnership building - 43.3% emerged as the three most vital needs for organisations in the main survey.
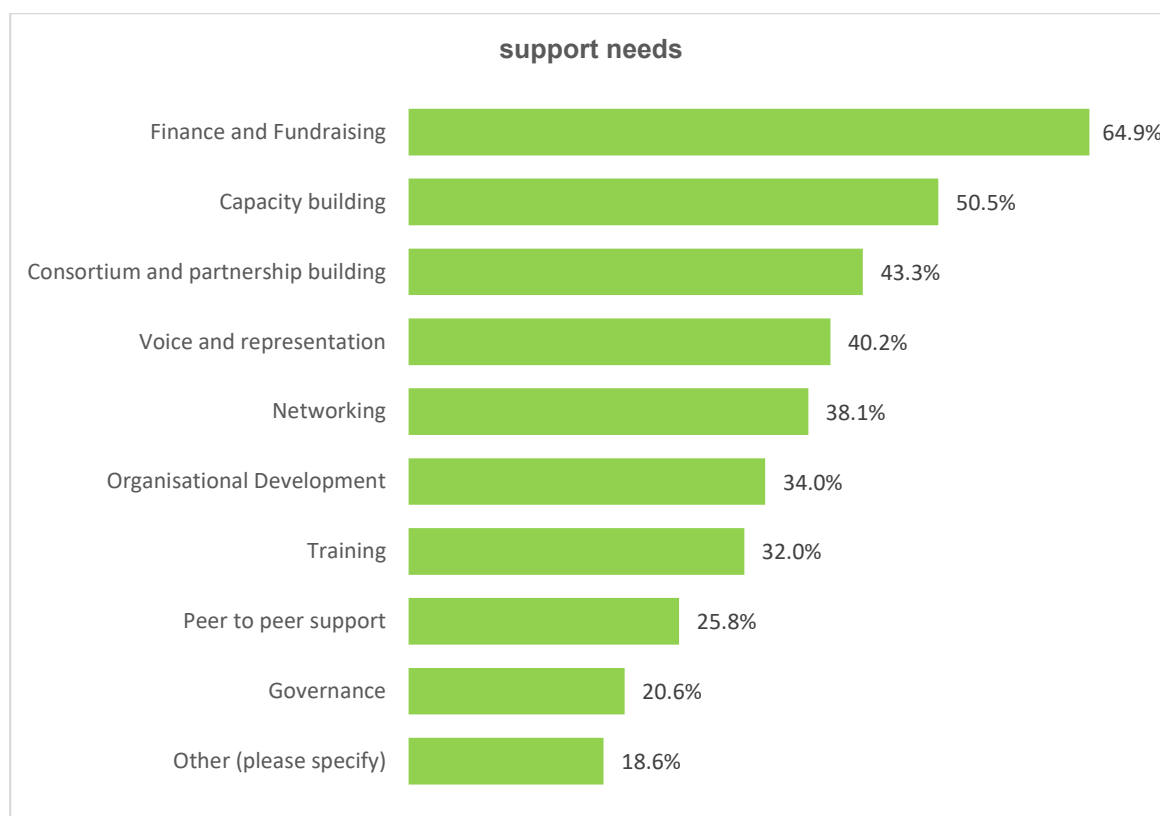
Other issues mentioned were
- Support with accommodation and workspaces
- Specialist help from professions such as legal, risk assessments, building specialist
- Volunteers with professional skills
- Strategic interface with the statutory commissioners
- Leadership training

Some of the comments from the in-depth survey reinforce the organisational development needs cited by respondents in the main survey.

On organisational development needs
Income generation needed, have tried to be resilient using own strategies but could be doing a lot better with assistance
Regular funding will enable us grow and serve the communities better
Confidence that funding will continue with changes in commissioning rules of alliance contract mechanism
We work with volunteers who have a lot of enthusiasm but need some training to enhance their competence
Local authority has a responsibility to provide the sector with assistance to provide services for the communities that we serve
Need to be represented at highest level in local opportunities to influence decisions
Funders say they want something new but how do we get this when no one will pay for capacity building
We have to invest in the CVS if we want organisations to be able to work together in consortiums

2.3.2 Preferred options for delivery

The responses to the question on what type of structure was needed to deliver these services were varied.

The preferred options for the type of organisation to deliver organisational development support emerged as

- Borough wide CVS
- Customised - case by case support
- Multi stakeholder forums
- Meetings and forums
- Neighbourhood support
- Platform structure
- Flexibility
- Sector training days
- Joint networking

Some of the comments from respondents are below.

On type of support

Expert guidance and consultancy help bought in on a case by case basis

Multi-stakeholder forum for the different sectors and an overarching umbrella organisation to encompass all the sectors

Regular forums providing practical information, training and networking

Online forums and networks

Peer to peer support from more experienced organisations who will mentor smaller ones

A volunteer bureau run by volunteers to serve the sector

A boroughwide CVS that will coordinate all events in the sector and bring all together

A larger more effective and representative CVS that would give us a voice and represent all the sector in dealing with the statutory sector

Transparent and accountable - forums, crime and safety panels. Not with the usual suspects who block young people and others from having their say

A Directory of VCS organisations and brief description of what they offer, regularly updated so the VCS can get in touch with each other

Central CVS like Southwark Action

LVAC was very useful to us. Lots of other organisations have faced issues we face and sharing of experiences has been hugely helpful. Community Matters was also useful in providing specialists (insurance, solicitor). So, a membership organisation which can put us in touch with other organisations and has a roster of specialists would be useful. One that knows LB Lambeth and can liaise effectively with it and has the political clout to hold it to its stated policies would be invaluable. So perhaps all the corporate volunteering and big national bids (eg LEAP) should go through it, so when Lambeth tries it on, there is an immediate political cost.

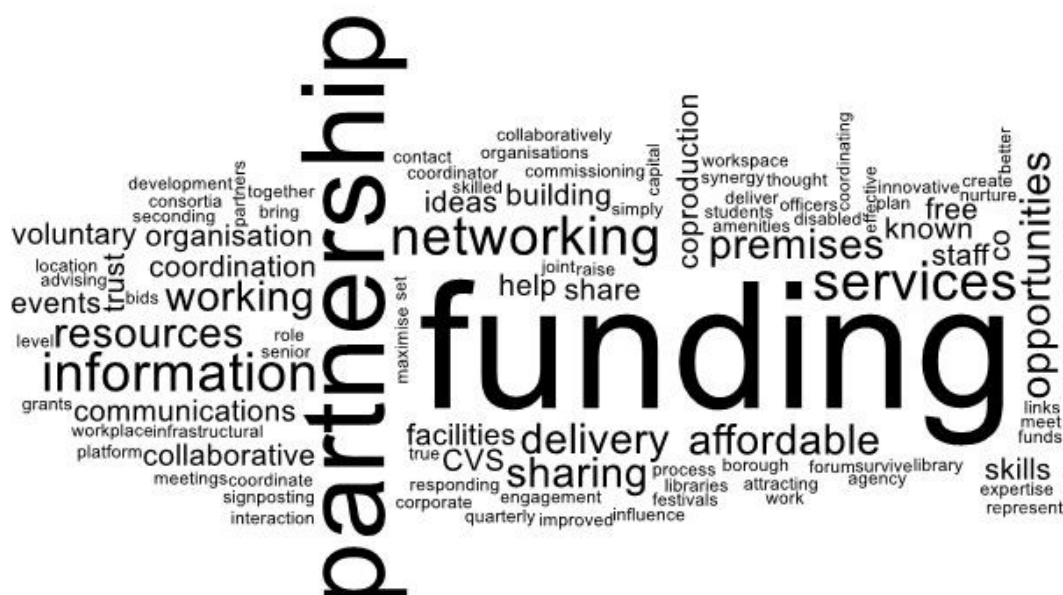## 2.4 Sector wants from the statutory agencies

Respondents were very clear on what they wanted from the council: more funding, a better and equal partnership and co-production, sharing of information, affordable meeting places, facilitating meetings and helping with coordination of the sector in kind or through extra resources.

When asked in the main survey, what they wanted from the council, 41% of respondents said co-production and collaboration, 20% said funding and support and skilled outreach workers for the sector. They wanted more recognition and respect for their work, more information, affordable premises, funding to support networking, assistance with the preparation of bids and a functioning CVS that would help provide them with a voice

The comments included

> **On what the statutory sector can provide to the VCS**
> *Use voluntary sector as critical friend to shape decisions*
> *Providing and sharing resources*
> *Working in true partnership to ensure that scarce resources are maximised*
> *Funding opportunities or connecting the local sector up to opportunities.*
> *Interviews to discuss our needs and understand in more detail what would be helpful.*
> *Essential in terms of providing initial funding to set up and maintain a Forum and its infrastructure and at least one post within the VCS to develop and support it*
> *Buy-in from Council and Health officers at senior level to work with the Forum*
> *Willingness of key bodies to accept VCS representation and help reps to deliver their role*
> *Commit to transparent, ongoing communication with the sector*
> *See the Forum as an opportunity for VCS and Health/LBL frontline staff as well as managers to work together*
> *NOT inviting us to meetings and then saying you are wonderful and then ignoring us*
> *Not expecting us to be able to fill in for cuts and enabling sector to affect decisions on procurement of services, property support coordination and bringing together sector*
> *A new CVS that is active and committed to supporting the sector. Remove the personality issues and personal benefits that have crippled Lambeth's CVS.*
> *They need to stop 'high-jacking' the 3rd sector's funding through developing sometimes dubious 'alliances' with a handful of organisations whose designation or appointment tends to be exclusive and/or arbitrary. Yes, these are two contentious issues and both need to be looked at honestly and proactively to stop what is currently happening in Lambeth*
> *Be clear about expectations*
> *Funding needs to be available*
> *Free training and use of facilities*

3   Reviewing other models of support

We spoke to five CVS in London Boroughs – three adjacent to Lambeth, one in East London and another in the West of London. Our discussions focused on the services they delivered, partnership involvement, their funding and assets and the factors that has contributed to their success. We also tried to find out from them how they would prioritise service delivery with an annual budget of £100,000.

The motivation for this interaction was to determine whether there was a model of service delivery that could be that could be adapted and adopted for the borough.

The Walcot Foundation were interviewed as a key stakeholder as they provide organisational development support for potential and existing grantees in Lambeth.

The table below provides highlights of the discussions.

	Community Southwark	Croydon	ADP/Walcot Foundation
Services and Delivery	Capacity Building and support, Training and themed Networks. Voice and Representation. 23 staff used to deliver services. In-house staff deliver training to ensure continuity with groups.	Volunteering 20 staff deliver: Leadership of Sector, Capacity Building	Contracted by Walcot Foundation who fund in two main areas: education and employment. ADP supports grantees/potential grantees identified by Walcott during assessment as needing support. Refer groups for further support but in Lambeth
Partnerships	Local Authority and CCG on board with CVS. Developed joint VCS strategy	LSP structure. Council, Police, CCG, FE Colleges, hospital trusts all very engaged. Representation at all levels. Elections run by CVS	Funded Walcot to deliver services to 40 groups per year who are applying for or in receipt of Walcot Foundation grants.
Funding and Assets	£1.3m Turnover. Five-year contract with the Local Authority. Consultancy on specific projects generate £75,000, Health Watch £120,000. Waltham Forest contract £175,000, Involve contract £110,000. LCF £10,000. Currently 40% Council funded down from 90%	Turnover £900,000. £157,000 from Local Authority (32% cut from 2016/17 budget). £70,000 CCG, Big Lottery. Income generation. 999 years lease on building	Contract with Walcot
Factors for Success	Consistent support of whole sector. Maintain strong relationships with statutory partners based on independent, honest constructive discussions. Employ a solution focused approach. Develop partnerships and cement an approach that can be valued by other stakeholders and will make a difference. Provide core offer and add to this as needs emerge	Cultivate good relationships with all stakeholders and represent all VCS organisations by providing services they value. Be critical friend to Local Authority and other statutory sector organisations and be aligned with their agenda. Work in partnership with a good spread of organisations and ensure the CVS has strength and depth in relationships across the whole Borough's society. Be inclusive – bring lots of different communities to statutory agenda	
Priorities for £100k	Diagnose needs and make use of existing models on what groups need to make them more effective. Segment sector - who is doing what, level and support needed. Respond to borough wide issues. Volunteering	Small amount of money - Volunteer Centre run with £60k and 1.5 members of staff - to run a VCS type service. Starting new: get a Chief Officer to provide the Leadership role for the sector and build up slowly. Do not spread the funds too thinly as coordination will be necessary in order for the service to be sustainable.	1.5 staff; ensure CVS is restructured to be fit for purpose

	Barking & Dagenham	Richmond	Merton
Services and Delivery	Delivers Capacity Building Organisational Development, Partnership Building, Representation, Funding application services with two staff members, down from a high of 7.	Partnership with Richmond College to deliver CVS services: Volunteer Centre. Capacity Building. Annual conference/AGM. Voice & Representation. They have 6 members of staff who they use to deliver generic services but also use external consultants to provide additional expertise	Support for VCS. Funding and income generation. Collaboration and partnership. Volunteer Centre. Health Watch. 14 staff deliver their service. They also make use of consultants.
Partnerships	Ongoing restructuring of the sector, with new director and new direction within the Local Authority. Difficult to influence health block	2015 Compact. Joined up. Strategic Boards: Health & Wellbeing. Richmond Partnerships. Adult Safeguarding, Children & Young People. Cabinet member for Culture Sport and Voluntary Sector and they hold three meetings each year with the VCS. BUPA Highways lead to link with Kingston VA.	LSP framework - Council, CCG, the CVS, Police, Fire Service, College signed up. Also connected with Chamber of Commerce. Statutory organisations expect to see the VCS around the table when decisions are being made. VCS is a valued sector in the borough
Funding and Assets	Local Authority funding of £45,000 (reduced from £100,000) Hire Income of £60,000 (less caretaking costs) 25-year lease at peppercorn rent on Ripple Centre. Community hall and meeting rooms for hire in the Centre.	Turnover of £300,000 (down from £800,000). Commissioned by the Local Authority to deliver three services of Voice and Representation, Capacity Building and Volunteering on a three-year contract. Each contract value is between £60,000 and £75,000 for three services. Funding is also received from Richmond CCG and City Bridge. Some income generated through consultancy and training work.	Turnover of £850,000; £300,000 (down from £500,000) from Merton Council. In addition, funding comes from a number of other organisations including City Bridge, Children in Need and Phipps Bridge. Income is also generated from the community hall and meeting rooms.
Factors for Success	Maintain good relationships with groups based on trust and equity. Critical friend to LA and statutory partners Take a chance on groups. Confidence and Communication. Absence of existing CVS is immediately noticeable in a Borough. Cohesion work necessary to help people connect especially if there's high population churn. Knowledge of your area and VCOs within it.	Cabinet member link with Sector Engage strategic stakeholders and build strong and trusting relationships. Good communication skills to ensure influence. Strong profile so known and trusted by VCS. Flexibility to adapt to changing environment	Avoid political partisanship - have lines of communication to all Parties. Local Authority and other partners recognise the VCS as a key partner in delivering services to residents as well as its role in attracting millions of pounds in resources into the borough.
Priorities for £100k	Representation work as it requires local knowledge of the politics and group dynamics. This work can produce big wins and genuinely makes a big difference. Training and Development function	Local focus, handholding and personal touch. Networking, volunteer service, especially important for small groups. Produce information bulletins in partnership. Subsidised training to VCS. Target fundraising and collaborate to deliver Leverage free expertise and resources from organisations like NCVO	Priorities identified in survey and mechanisms to meet needs, based on existing services. Review of networks and support accessed already. Local Authority should commit to pump prime

Other key issues of note in the discussions with the CVS included the following:

- they were well established organisations with a stable leadership
- all the organisations were operating with reduced funding from their Local Authority and most had diversified their funding base including funds from trusts, charities, and businesses as well as generating income through premises hire, consultancy and delivering services in other boroughs
- in four of the five areas, the CVS was in partnership with the Local authority and in Croydon, Merton and Richmond they operated as part of the Local Strategic Partnership.
- In another adjacent borough, Wandsworth, no CVS exists but it appears that discussions are going on with Richmond to deliver CVS services in the borough.

4   View from statutory agencies

The statutory sector has always recognised the importance of the voluntary sector in helping to create a vibrant community and in the delivery of services to the community. The support provided has evolved over the years as funding regimes have changed in the face of statutory sector funding cuts. Despite adjustments that the voluntary and community sector has had to make as funding moved from grants through service level agreements, and now commissioning, the statutory sector has continued to provide support.

The statutory sector must meet the needs of the communities that they serve, and in the case of those who were interviewed for this report their remit included the needs of children and young people, public health, community safety and substance misuse and policing.   Lambeth Council are focused on delivering for the future of the borough through its priorities of inclusive growth, reducing inequalities and building strong and sustainable neighbourhoods.

We held discussions with statutory sector organisations – the local authority, the Clinical Commissioning Group, the Police - on their remit, relationships with the sector, funding arrangements, direct support to the sector, best practice and how improvements can be made to ensure that the sector provides better support to the community. These discussions are summarised below.

4.1   Relationship with the sector

The cuts in budgets increases the challenges of working with the sector. The needs of the borough are many but the resources to service these needs are fewer and this gives rise to several challenges in the relationship between commissioners and the voluntary and community sector.

4.1.1   Challenges

- Some VCS organisations are set in their ways and find it difficult to accept that the funding regimes have changed and that there will be no return to the days of grant funding
- Some organisations are unwilling to change the way they work and do not want to be innovative in the face of funding cuts
- The VCS is struggling to recruit people who will adopt more efficient ways of working but this is a factor of their lack of funding
- Many organisations in the voluntary sector view the statutory sector with some distrust and do not feel that they are consulted enough or in a timely manner on issues that affect service delivery
- The sector is consumed with searching for funding and not enough time is devoted to collaborative working that will deliver more benefits to the communities they serve
- The sector believes that they are closer to the communities, and many sometimes resent the interference of statutory sector organisations as they believe them to be unnecessarily bureaucratic
- The tight margins imposed by commissioners has meant financial instability for some VCS organisations

4.1.2   Positives

- Despite the challenges there are more positive issues for collaboration and working together
- The sector has some experienced people at leadership level who are better able to identify the real need within the communities
- These organisations have continued to do good work in the face of funding cuts
- They are experts at what they do, although this is sometimes overstated
- They certainly make an impact on the local community and many are held in better regard than the statutory sector
- There is a lot of good practice that should not be lost to the communities
- The sector does fantastic work that is not always recognised
- Knowledge of local community means that working with the sector provides good qualitative intelligence for the statutory sector
- They are agile and able to respond quickly to changing needs

4.1.3 Opportunities

- There are opportunities for collaborative working within the sector to form consortia to deliver services
- one central point of contact with the sector would be helpful
- the statutory sector can provide more support by helping to organise meetings making use of their premises, bid writing and providing letters of reference to help voluntary organisations leverage in more funding
- opportunities exist for joint working within the sector and between the sector and the statutory sector
- community led approaches could be more effective in dealing with the issues facing the community rather than imposed statutory approaches
- innovation for better focus on service users
- consortia and joint working with the statutory sector is the new way forward

4.2 Working with the sector

4.2.1 Funding

Commissioners work on tight budgets and specifications which means that they are unable to fund extras; their focus is mainly in the delivery of a service and they do not have resources for core funding or to help develop or sustain the sector. They normally expect that those they contract with will already have the infrastructure to deliver the service. This presents problems for smaller locally based organisations but provides a good reason for organisations to come together in consortia so that they can share the back-office costs of operating. What the statutory sector demands is that they provide the best value for money and get the most advantageous economic tender for the services they commission.

4.2.2 Supporting the Sector

The are many reasons why the statutory sector actively supports the voluntary and community sector, the most important being that they are normally the first port of call when there is a crisis within a community. They can act, perhaps more decisively, in providing instant attention to assist any member of the community before the crisis escalates and they are the most trusted by the community even in issues where there is statutory responsibility. In the discussions with the statutory sector different ways of supporting the VCS directly were explored:

- Closer contact with the voluntary sector for meetings and joint working is important and the statutory agencies must be prepared to spend time, if not money to prepare joint bids
- Learn so share more plans with the sector and encourage and guide them better when they are bidding for services
- Organise more joint working forums and networks in all the sectors where commissioning takes place
- Provide opportunities for staff in the stator sector to engage more collaboratively with the sector, this will provide more intelligence but will also enable the statutory sector to learn more about the difficulties faced
- Provide the sector with more information, invite them to meetings, provide refreshments and pay for the note taking and facilitation of the meetings
- Directly intervene in selecting organisations to work together
- Fund coordination role for the sector

4.2.3 Improvements

The statutory agencies recognise that it has responsibilities towards the community and voluntary sector and its sustainability and are therefore keen to work with them to improve services that they commission. Their views on how the sector can be improved are summarised below:

- Outcomes are as important as outputs and therefore the VCS will need to demonstrate more and more in their tenders how their services impact on the communities they serve
- The sector should be bold enough to learn from each other and come together to share best practice and their experiences
- There is a need for a coordination role within the sector so that things happen through planning and in that way the sector will be able to play a meaningful role in influencing the statutory agencies
- Stronger networks are needed to enable the VCS to hold the statutory sector to account and to elicit support for its integration activities and build relationships with each other to collaborate and submit joint bids
- The sector must challenge its own working practices and business models in order to improve services they deliver
- The statutory agencies should make efforts to find extra resources to assist the coordination, voice and representation role of the VCS
- Innovative strategies such as action learning sets and peer support should be tried by the sector, these are less expensive, they help to build trust and can be effective in developing a cohesive sector
- Clear agreed specifications should help the sector design and structure services that meet expectations of commissioners and communities
- There is a need to set out some ways for the VCS to hold the statutory sector to account and this may not necessarily be through the Compact but there may well be other agreements that could be used
- Access will be necessary to support for VCS to challenge current business models
- Constructive challenge about the future of the VCS

The Strategy

5 Towards an innovative model of support

In the past few years there have been many developments to provide the VCS with the necessary tools and resources to help improve its operations. Debates have continued to rage around the role of the sector itself and its relationship with the statutory sector and whether it has become compromised because of an over-reliance on funding from statutory funders. Other heavily debated issues relate to the campaigning role of the sector.

The future of the sector has been discussed in several recent reports and publications. At the national level *'making good'*, a collection of essays by some prominent, long standing practitioners in the voluntary and community sector, predict a brighter future for the VCS and encourages a redefinition of its role. They advocate that the third sector should not become an appendage of the statutory sector but embrace modernity and assert its value beyond funding and money. The VCS must also seek to strengthen the communities in which they are embedded, develop an independent voice to add value to services they deliver for the statutory sector and be creative in attracting funding that is fit for purpose.

This theme of a brighter future and the sector asserting its value is supported by some regional proposals from the '**The Way Ahead**' group. This group made up of London Funders, Councils and Boroughs as well as the GLA, the Greater London Volunteers, and several other key stakeholders are working on a system that places communities at the heart of the work they do. They have identified five themes that will drive changes in the way they work with London's communities. These are co-production, data, triage and connecting, voice and campaigning and consistent commissioning and funding for support.

Locally, Lambeth is the focus of the newest grant funding foundation in the capital – Battersea Power Station Foundation BPSF). The Foundation's recent report into the needs of the VCS in Wandsworth and Lambeth echoes many of those revealed in the Equinox survey for this strategy.

This strategy for the sector reflects the issues gleaned from the background documents, Equinox online survey of the VCS in Lambeth as well as discussions with the stakeholders interviewed. We have also reviewed support for the voluntary sector in other boroughs.

The voluntary and community sector thrives when it is independent and when it can decide its own strategic objectives. However, it is important to work closely with other stakeholders: the users of its services, other funders, businesses and especially the statutory sector with whom it must have a shared vision of services to the communities. In the past, this relationship had been underpinned by a compact of commitments and responsibilities.

5.1 SWOT

The swot analysis that informs the strategy is presented below

Strengths	Weaknesses
Large, diverse and grassroots sector encompassing different sizes delivering to communities with different minority groups **Grassroots and close to the community and has good knowledge and intelligence of community needs** **Tenacious, resilient, energetic and highly motivated groups working in creative ways to make a difference for the communities they serve despite funding cuts** **Passion and commitment of workers, volunteers and trustees working for something they believe in, leveraging money into the Borough to deliver services in and effective coalition and partnership with residents and other groups**	Absence of CVS therefore no strategy, no direction, no voice, no representation No real networks that are bonded together. Individuals working on their own with no effective collaboration. Lack of partnership working and strong consortia and it is therefore difficult to leverage funding and other resources into the Borough Organisations are not strong suffering from lack of support and inadequate capacity building to be sustainable or help them move to the next level Too many organisations mistrusting and competing Lack of coordination to facilitate close working relationships
Opportunities	Threats
Opportunity to form an infrastructure organisation that is inclusive, representative, transparent to be the real voice and coordinator of all the sector's efforts **Opportunity to work together, collaborate and create real partnerships amongst VCS organisations and with the statutory sector** **An opportunity to form and strengthen organisations operating in the local areas as well as in different sectors and communities of interest** **An opportunity to partner the statutory sector to contribute to the transformation agenda in the borough** **Opportunity to leverage more money into the borough if the VCS can work in partnership with each other and the statutory sector**	Loss of funding threatens the vibrancy and diversity of the sector Commissioning has meant larger more efficient organisations with strong administration and quality systems coming into the Borough and contracting with the statutory sector for delivery of services to Lambeth's communities. Lack of capacity building and lack of a voice will erode confidence in the sector If the sector does not adopt a modernising agenda that embraces technology, quality systems and collaborative working that will enable the sector to adjust to a variety of funding regimes it will become less vibrant and services that are needed for the community will not be delivered Funding cuts and austerity will make it difficult for the sector to thrive

5.2 Vision

The need to work with the statutory sector and other stakeholders has informed the vision of the sector and this is what has been agreed with the steering group of voluntary and community organisations. This vision recognises that they must be responsive to the needs of the communities while simultaneously being proactive in helping to mitigate the social issues that prevent the borough receiving the funding it deserves and suffering from a lack of cohesion that hinders partnership formation.

This vision is to have a sector that is:
A valued, competent, indispensable and harmonious voluntary and community sector working to champion and provide a supportive and sustainable environment for all communities in the borough.

5.3 Mission

Within the context of this strategy there is an urgency about re-establishing an equal relationship with stakeholders to reinvigorate and reenergise the sector. These partners in this new relationship include:
Public sector that commissions statutory services
Private sector that delivers commercial services and
Community and voluntary sector that would deliver services that the statutory sector cannot deliver because it is too specialist and needs an independent approach and the private sector will not deliver because it is not profitable

Leveraging of funds and resources into the borough emerged as the most important objective for the sector at 35.5%, almost twice as much as the rating for the rebuilding of trust, networks and relationships within the sector at 17.8%

The mission over the next three years in this strategy must go beyond delivering organisational development services or just delivering services to the community. The strategy is about transforming the sector to be confident in its independence so that it is able to have both an external and internal focus.

The mission therefore is
Internal –a confident sector that resolves its weaknesses and builds on its strengths
Create a competent and skilled corps of volunteers and organisations
Forge connections between community and voluntary organisations

External – that deals with its threats and embraces all the opportunities
Build effective linkages with the public and private sectors
Promote the sector to all its multiple stakeholders of funders and beneficiaries

5.4   Strategic objectives

This mission of a confident sector that resolves its internal issues and forges external collaborations has been translated into strategic objectives that would underpin services to be delivered in the specifications. The intention is that any organisation that bids to deliver these services will be able to present a workplan that would cover the initial three years of the implementation of the strategy

The strategic objectives are to

- Leverage more funds and resources into the borough
- Increase the scope of organisational development and capacity building of the sector
- Improve the coordination of network relationships and trust between organisations
- Increase representation on strategic partnership boards to give the sector a stronger voice

These four key services that arise from the strategic objectives are discussed in the subsection and will form the main basis of the specifications.

5.5   Internally focused services

5.5.1   Organisational development and Capacity Building

Capacity building is the stock of most traditional Councils for Voluntary Services and usually involves that provision of advice and training to enable new organisations to set up and can operate efficiently ensuring that they are complying with all essential and desirable procedures and policies.

In a borough that lacks so much funding as evidenced by the discussion with the stakeholders, smaller organisations may find it difficult to provide effective services when they are distracted by their search for funding that will enable them to survive and grow. Not only is it critical that their staff have the requisite skills to manage and deliver services, but they also need to be able to recruit, train and manage committed and competent volunteers able to carry out their duties. In addition, their trustees need to be able to direct and chart a strategic direction for their organisations.

Furthermore, whilst it is important to assist newer organisations to rise to the challenges of new emerging issues as well new social issues, the capacity building role must not be limited to only smaller organisations. It must be recognised that larger organisation also need some form of organisation development support, which may be better delivered in non-traditional ways

The range of organisational development interventions that emerged from the survey included:

- Assistance with group formation and registration
- Assistance with practical issues around policies and procedures
- Practical issues around quality, accreditation and certification
- Functional management skills such as operational and delivery mechanisms, marketing, finance and fundraising, management and recruitment of volunteers, social media skills
- Informational issues such as seminars on topical issues
- Arranging for organisational mentoring
- Leadership and Governance skills for trustees
- Computer and ICT skills and the use of internet and regular software
- Building of databases
- Financial and fundraising skills
- Specific sector related skills

5.5.2 Networking and coordination role

The survey revealed that though organisations are passionate about their work they were not collaborating with each other but were in competition because they were chasing the same funding sources. This has resulted in tensions and mistrust amongst organisations, fuelled by the absence of positive information from a trusted coordinated source.

The organisations within the sector have stopped networking which each other and tend to attend functions and events organised by organisations external to the borough or rely solely on council sources for their information. And yet networking is the main avenue for finding out information about what is going on in the borough and in the sector. Though most organisations said that they were involved in local forums and in sector based forums most bemoaned the fact that they were not involved in key networks that provided them access to critical information about funding, projects and new developments in the borough.

This coordination role is missing and that is one reason why it is the local authority that has convened this steering committee that has been overseeing this strategy. For organisations to work together, an environment that breeds trust and encourages transparency must be created. Trust comes from holding open discussions which in turn will provide a way of working together on non-contentious issues and with that the confidence to tackle more important issues together including building consortia to bid for contracts.

The networking role is most effective when there is an impartial organisation, that mediates the work and makes it consistent, focused and purposeful that would engage and encourage the exchange of relevant and reliable information. Organisations indicated that with a well-regarded agency involved in the coordination role, they would be more likely to work together especially if this agency was well supported to provide feedback on the events and interactions in which engaged and was able to adequately support the work needed to form peer to peer networks and mentoring teams within the sector.

At present the local authority supports various forums at the local level and whilst these forums are not exclusively for the voluntary sector, many VCS organisations attend these meetings and are actively involved with residents in deliberating issues affecting their communities.

Some elements of this networking and coordination role will involve
- Maintaining and supporting task forces or forums in the major sectors – education, children and young people, health, crime and safety, amenities, leisure and sports,
- Setting up and maintaining forums in various communities of interest – interfaith, black and minority ethnic, LGBT. Older people, women
- Organising regular meetings of the full sector where these groups and taskforces can provide updates on their work
- Organising events and workshops where topics of interest or reports of exciting projects and/or new projects and programmes will be shared

5.6 Externally focussed services

5.6.1 Voice and representation agenda

The community and voluntary sector expressed the view that they do not feel valued for the job they do in keeping the communities together and that their work is never appreciated. They would want to have a voice with the public sector so that they are able to influence and mediate policies and programmes that affect the communities that they serve. They want to be an integral part of the design, development and delivery of services. They would also wish to be in an equal partnership where they expect to contribute their knowledge on the needs of the community. They believe that they are closest to service users and that the statutory sector should supply the resources to ensure that the VCS can provide efficient and effective services.

Some policy issues of importance mentioned by some organisations include
- Advocating for longer term contracts
- Advocating for some single sourcing contracts
- Representations and participation in discussions with statutory agencies at the regional and national level
- Participation at conferences, events and meetings

This role requires that there are several points of contact between the community and the statutory sector to enable this partnership to focus on service delivery. It also requires that the partnership is valued, and meaningful mechanisms are put in place to support this cooperative working relationship.

A model proposed for this could be a strategic partnership where members and officers from the statutory sector, VCS representatives and businesses in the borough commit to the use of a strong compact to frame their relationship. To be effective, this compact would need to be supported, monitored and audited. The purpose would be:

- Development of a database of representatives in different sectors and different areas of the borough
- Developing a transparent method for selecting representatives
- Development of a mechanism for briefing and supporting these representatives
- Discussions with the VCS about policy issues of important
- Implementing a mechanism for reporting back to the organisations and the community
- Reporting to the wider community about news, events and projects

5.6.2 Leveraging funding and resources into the borough

The major complaint from the sector is that there is an absence of funding that enables them to develop and thrive so that they can focus on delivering services without constantly chasing funders. Respondents received more in grant funding than in contracts which means that they were now slowing adjusting to the new regimes.

sources of funding

grants, 44.7% gifts, 28.8% trading, 17.3% contrac…
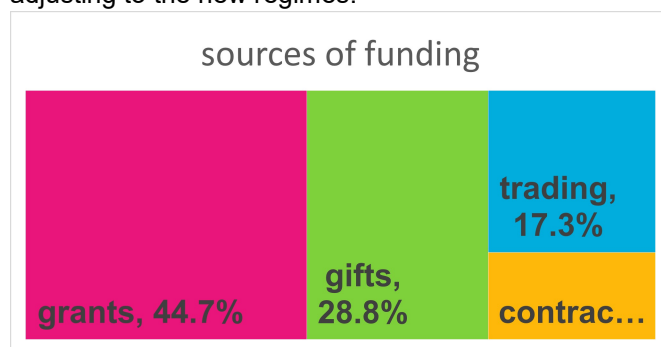
The strategy for leveraging money into the borough should be informed by the NCVO's classification of the different types of funding, described below. This requires relationship building with different funder groups.
- Donations - encouraging more donations from a variety of sources including membership fees, occasional gifts, systematic donations, legacies and corporate support. Most of this funding is unrestricted
- Grants – this is by far the most popular way of receiving funding for the sector, at present. This is usually restricted and the organisations are tied to specific services, outputs and outcomes after a competitive application process. This source of funding is sometimes useful for development work or building the capacity of the organisation
- Contracts are meant to deliver specific services and projects and are backed by enforceable legal sanctions for non-performance though in some cases there is a bidding and monitoring process. Most commissioning is contract based.

- Trading is about charging fees for services and selling products and services on the open market. Increasingly some organisations are adopting this as a means of diversifying their funding base.

Whatever approach that is taken, must be coordinated. This could be a mixture of helping organisations directly to look for funding or ensuring that funding is brought into the borough so that it will be accessible to all groups.

5.7 Strategy Overview

Vision	A valued, competent, indispensable and harmonious voluntary and community sector working to champion and provide a supportive and sustainable environment for all communities in the borough.			
Mission	**Internal –a confident sector that resolves its weaknesses and builds on its strengths**		**External – that deals with its threats and embraces all the opportunities**	
	Create a competent and skilled corps of volunteers and organisations	Forge connections between community and voluntary organisations	Build effective linkages with the public and private sectors	Promote the sector to all its multiple stakeholders of funders and beneficiaries
Strategic Objectives	Increase the scope of organisational development and capacity building of the sector	Improve the coordination of networks relationship and trust between organisations	Increase representation on strategic partnership to give the sector a stronger voice	Leverage more funds and resources into the borough
Services	Capacity building and organisational development	Networking and coordination of intra sector relationships	Voice and representation on strategic partnerships	Leveraging funding and resources into the borough
Outputs	Consultancy to help set up and support functional management and sector specific training Provision of management resources Practical assistance with best practice	Provision of information on relevant and topical issues Exchanging information with statutory sector and funders Representation of sector at highest level of boards Co design and co-production of services	Facilitating sector fora Facilitating special interest fora Database of members and professionals Newsletter and information provision	Bids with trusts and foundations Bids with statutory sector Forging relationships with businesses Creation of fund or asset source
Outcomes	An increase in the number of organisations working to support the communities Well run organisations with effective governance arrangements and processes Well trained staff and volunteers to deliver services to the communities	More networking amongst organisations and sectors within the borough More dissemination of information to keep organisations up to date with what different groups are doing and what is happening within the statutory sector More organisations coming together to bid for contracts and forming consortia	Increased awareness of priorities of the statutory sector and all its processes as well as representation on boards More meaningful consultations and engagement with the statutory sector to work together on programmes and projects Changes and adjustments to policies based on intelligence from the sector	More funds and grants brought into the borough through linkages with funders and statutory sector Setting up of grants fund for smaller organisations for restricted as well as unrestricted funding More businesses and statutory sector agencies sponsoring events and organisations by providing support in kind

5.8 Delivering the strategy – a new beginning

The survey revealed several issues that will need to be resolved to get the sector working strategically again. The relationship between the voluntary and community sector on one hand and the statutory sector on the other needs healing. The breakdown in relationship between the existing infrastructure organisation - Lambeth Council for Voluntary Action (LVAC) and Lambeth Council is a cause for concern and needs a resolution. The sector seems caught between these problems and has therefore not been systematically supported because of this situation.

The work of infrastructure organisations within the community and voluntary sector has often been undervalued. Whilst these organisations should be seen much in the same way as roads and rail networks that provide useful services to get people from one place to another, these second-tier organisations provide a similar function for the VCS. A reminder of the function within the context of Lambeth include:

- **Development and support** in helping to identify and meet needs of the community, helping to set up newer organisations to meet these needs by providing consultancy, training, information and advice. This to enhance the capacity of the sector.
- **Coordination and liaison** that encourages networking and meetings, sharing of information and best practice within the sector, enabling parties to work together towards the bigger goal
- **Voice and representation** role that ensures that the VCS is consulted by the statutory sector and the interests of the sector can be articulated to influence policy through representation on strategic boards
- **Leveraging of resources** specifically within the context of Lambeth and other boroughs where funding cuts have had adverse effects, there is a need to work strategically with the statutory sector, trusts and foundations, businesses and the community to ensure that there are enough resources or the voluntary and community organisations to carry out their work

The support activities identified to achieve the strategic objectives are not much different from what would be delivered by a traditional CVS and we were not able to identify any best practice models from boroughs that did not have a CVS. Responses to the main survey revealed a VCS that is struggling to assert its independence, have a voice build trust between themselves as well as with the statutory sector. These findings suggest that some of these issues are directly related to the lack of support and absence of a coordinating function referenced by nearly all respondents in discussions. In addition, it seems that there has also been an increase in disunity and lack of trust and it appears that some level of inertia has set in. The local authority, as the major strategic force in the borough, has a responsibility to assist in getting the sector to work more efficiently and become vibrant once again.

When asked about what type of organisation would be best able to deliver these services, respondents came up with the following suggestions

- Borough wide CVS
- Customised - case by case support
- Multi stakeholder forums
- Meetings and forums
- Neighbourhood support
- Platform structure
- Flexibility
- Sector training days
- Joint networking

Based on these suggestions we have come up with a set of options that are not prescriptive but that could be adopted and adapted when considering how the strategy will be delivered.

5.8.1 Outside delivery agency

An outside delivery agency with experience of delivering services to the borough could be contracted to provide these services. Some aspects of the service lend themselves to delivery by people with expertise such as the training programmes and one on one support to smaller organisations and individual fundraising. The concept of a vibrant and successful sector can only be achieved if the sector itself is seen to be responding to its challenges, changing the way it works. If a private organisation is appointed it will certainly open the way to more privatisation of the sector that is expected to remain voluntary and part of the community.

5.8.2 Consortium within steering committee

A consortium from within the steering group bids for the contract. They will be a self-selecting group that would come together and identify the different roles needed to ensure that the contract is delivered: one organisation becomes an accountable body and the different aspects of the delivery are distributed amongst the group based on their expertise and experience. Under this scenario it would be important that the group is representative of the whole steering committee or friction may occur if some feel that they have been left out of the consortium a further problem will arise if more than one group is formed to bid for the contract. Under that scenario that trust that needs to be built within the sector may disappear and the corporation that is to be forged may turn into competition. The losing consortium may never be satisfied of fairness

5.8.3 Steering group becomes the executive delivery agency

The steering group transforms itself into an executive board and uses this opportunity to start working together by inviting all other voluntary sector organisations to come together to be part of a joint effort to deliver peer support assistance to all organisations. If this can be accomplished in an air of transparency with no conflict of interest suspected, the committee may just gain the confidence of all the organisations to deliver and advocate on their behalf. However, who gets paid what may become an issue since the members of the steering committee all have their individual roles in their own organisations and cannot be seen to spending all this time gratis.

5.8.4 Local authority leading delivery agent

The local authority provides technical assistance to develop and deliver the service as well as providing resources with other statutory sector agencies. This option ensures that the coordination necessary to bring all the organisations together will be fulfilled and that the authority works with the sector to bring in funding through several strategic partnerships, it will help in the co design and coproduction agenda if an equal partnership can be forged in this model. The one drawback is that the independence of the forum could be compromised and the lobbying and campaigning function necessary for the sector may be lost.

5.8.5 Reviving the existing CVS

The existing CVS is revamped and overhauled so that it becomes the basis of a newer organisation functioning differently and totally representation of all the organisations in the borough. This renewed organisation would then perform the support and development, coordination, representation and voice and strategic partnership role with more confidence and have the trust of all in the sector.

5.8.6 Modular model of delivery

A modular unstructured agency to include the best of all model that would
engage consultants and experts to deliver the capacity building and organisational development aspects of the work and will contract with existing organisations to provide peer support and mentoring the council to facilitate the organisation and functioning of all the forums and networking in different sectors and between different communities of interest
funders to be brought together with the private sector to create a series of funding events, set up funds in the local area and help smaller organisations with fundraising and bid writing work

an executive steering committee that would organise the dissemination of information, become the active voice of the sector and broker all the representations and contact with the statutory sector, businesses and foundations and trusts

These options are not exhaustive but it is hoped that the conference will deliberate on this issue. The VCS must decide the type of organisation that can meet its support needs and make the relevant decisions, because ultimately a CVS must be owned and directed by its members. Those members will act as trustees and present the new direction and focus, embracing modernisation, confident in the knowledge that the future of the sector is bright.

5.9 Funding the sector

When compared to the funding that neighbouring Councils for Voluntary Action receive from the statutory sector in their area, the £100,000 commitment from the borough of Lambeth does not seem enough to deliver support that will meet the needs identified. It is probable that other statutory funders such as the CCG that benefit from the work of the VCS may well be persuaded to make a similar contribution. Trusts and grant foundations are now recognising the need for capacity building investments in the VCS and hopefully they, too, will be open to partnering with the statutory sector to provide resources to meet the support needs of this vital sector. Several organisations are already active in the Borough GSTT Foundation, Walcot, City Bridge, Hyde Housing and Big Lottery to name a few.

Other statutory funders must be encouraged too. Even if the Council's commitment is matched by another £80,000 from Walcott Foundation, it will not cover the core costs of a fully-fledged CVS. Several suggestions have been made as to how the funding could be effectively utilised, in the face of a shortage of funding for the sector. These suggestions are set out below:

- The funding should be used to target capacity building and organisational development work for existing smaller organisations. This money would be used to pay for the services of a capacity building officer or a funding officer to write bids for smaller organisations
- The funding should be used to pay for a Resilience Coordinator who will work with organisations to ensure that they have a diversified funding base, are able to properly market their services and ensure all their policies and quality documents are in place
- Since this funding cannot pay for a fully functioning CVS, it must be distributed amongst all the charities with the larger ones getting a lot more of the funding
- The funding should be used to commission training programmes on functional management skills and training volunteers and trustees to provide them with relevant skills
- Individual organisations should organise their own networking with different groups hosting the events. As part of this proposal, larger groups should also provide mentoring to smaller organisations
- Use the funding as seed money to acquire a community owned asset that would be able to generate some rental income to pay for the services of a development worker to coordinate the sector, map all groups and seek funding and assistance for them from a variety of organisations
- Convert the steering group into an executive committee that will become the accountable body for commissioning the capacity building work from consultants who can draw down funding for work carried out. The executive committee will take charge of the representation and voice role by mapping the sector, recruiting more members, publishing a newsletter and creating the forum for discussions.
- Use the money as pump-priming funds that would be used to raise more funding for the sector by engaging the statutory sector and the private sector by canvassing them for direct funding
- Other statutory sector organisations such as the Fire Service, the Police and the CCG should also be encouraged to provide £100,000 each. The GLA and other funders would also be asked to contribute. This could raise £500,000, an appreciable sum of money with which to restart and deliver a lot more services and provide the best base from which to leverage more funding.

5.10 A more meaningful partnership

The voluntary sector must always assert its independence but within the context of this reformation it needs partners. The local authority at present is the most credible partner because it has committed to provide seed money for supporting the sector. In making this commitment the Council recognises that a strong voluntary and community sector in the borough is better placed to help deliver the Borough Plan agenda but this means that they, together with other statutory sector partners will be required to make further commitments of support. This would include:

- Supporting the sector with skilled staff, facilitating more working together and sharing information on what is going on in the borough
- Seek to provide the community with an asset that will be delivered under the Community Ownership and Management of assets scheme
- Provide practical support to any umbrella, platform or executive board that emerges out of this strategy by facilitating its formation and attending its meetings and providing support in kind
- Seek to be joint participants in its governance to be able to monitor its operations, provide guidance and advice that will lead to corrective action
- Participation should extend beyond officers to members so that true partnership and engagement is forged, and through active listening and collaboration the problems of mistrust can be diminished
- Work with the connectors, enablers and influencers so that they will truly become changemakers for a more vibrant community
- Help the sector in this role of unlocking more funding from central government, trusts and foundations, other statutory sector agencies and businesses

Any future strategy that would enable the sector to survive and thrive must recognise the key expectations that surfaced from in the survey. These expectations need to be agreed to forge this collaborative working arrangement that would deliver the Borough Plan

Some expectations to define the new working relationship includes

voluntary and community sector expectation	Statutory sector expectations
Better partnership working where the views of the sector are represented at the highest level of decision making committees, boards and commissions	For the voluntary sector to accept that commissioning means innovative ways of working to achieve outcomes that are the new basis of funding arrangements
Listening to the sector and sharing information with them ahead of consultations and engagement so that co-production of services can be undertaken in a meaningful way	Sharing information with each other and with the statutory sector and developing networks and relationships within and outside the borough
accepting that the sector needs funding for building capacity to be an effective partner in the delivery of quality services for the communities	Collaborative working within the sector to form consortia that can deliver services within the sector and leveraging funding into the borough from other sources
Recognising that resources and support is needed to properly coordinate the sector. The statutory sector can assist by providing affordable premises and experienced facilitators with expertise	Be more trusting of the statutory sector and recognise that both sectors are working for the benefit of the communities they serve and to embrace the new partnership opportunity
Respecting the independence of the sector and realising that they are very close to the community and possess accurate information about the real needs of the communities	The VCS needs to constructively challenge its business models to enable them to improve service delivery and be better able to hold the statutory sector to account

The Specifications

LAMBETH VCS SPECIFICATION: 2017 - 2019
1. INTRODUCTION
This contract is for the delivery of infrastructure support to the voluntary and community sector in Lambeth. The service will support organisations to deliver their charitable aims and deliver the aspirations set out in the Lambeth VCS Strategy - Beyond Survival: A Thriving Voluntary Sector in Lambeth

Delivery is across the Borough of Lambeth. The successful provider/s must have the ability to demonstrate local representation and provide tailored support across the whole voluntary sector. Engagement to date has indicated that a collaboration of providers is likely to best meet the outcomes specified.

The new contract is due to commence on the 1st September 2017 and be in place for three to five years. The contract amount is £100,000 per year.

The successful provider will focus on:

- Building relationships, networks and trust between VCS organisations
- Helping VCS organisations to be resilient, especially in the light of public sector funding reductions
- Leveraging funding and resources into the borough
- Ensuring the VCS has a voice and able to represent their communities in strategic partnerships

1.1 Background
Over the past five years Lambeth Borough Council has not directly funded any organisation to provide specific support to the community and voluntary sector. Its involvement with the sector has been through various direct initiatives to support the creation of neighborhoods fora across the borough. The Council, sometimes in collaboration, with statutory partners such as the CCG, has also provided funding to several organisations operating in different sectors such as health. They have helped to create an umbrella group for education and have supported the work of organisations working with children and young people as well as organisations working on crime and safety issues.

The Council has continued to provide support in different ways by working with some outside agencies including grant giving trusts and foundations to support their efforts of capacity building and leveraging of funding into the borough to assist many voluntary and community organisations delivering services to Lambeth communities.

Lambeth recently, in consultation with partners from the statutory and voluntary sectors, developed a Borough Plan that envisions a future where its priorities will focus on

- Inclusive growth
- Reducing inequalities and
- Maintaining strong and sustainable neighbourhoods

The Borough Plan can be accessed online at http://www.lambeth.gov.uk/BoroughPlan

A Council commissioned strategy for the VCS in Lambeth developed by Equinox Consulting, found a diverse and vibrant sector dealing with issues such as:

- Poverty - Financial pressure on residents who were unemployed or in low paid jobs
- Adverse effects of council cuts on families already struggling
- Housing, unsecured tenancies and homelessness
- Health and mental health issues

The sector included a mixture of small and large organisations, mainly concentrated in the Centre of the borough. Other characteristics of the Lambeth VCS included :

- 70% registered charities
- 60% located in Brixton
- 72% direct service providers or grassroots organisations
- The top sectors in which they operate were education, children and young people and training
- The main clients were young people, adults and people from Black and minority ethnic communities
- Almost one quarter of organisations have been formed in the last five years
- 10% had no funding and another 20% had funding of under £10,000
- The most popular source of funding was grants at 49% and only 10% had contracts but 50% received funding from the council
- 31% had no employees and 59% had more than 10 volunteers
- 10% did not have any formal policies and procedures in place

Their most important support needs were
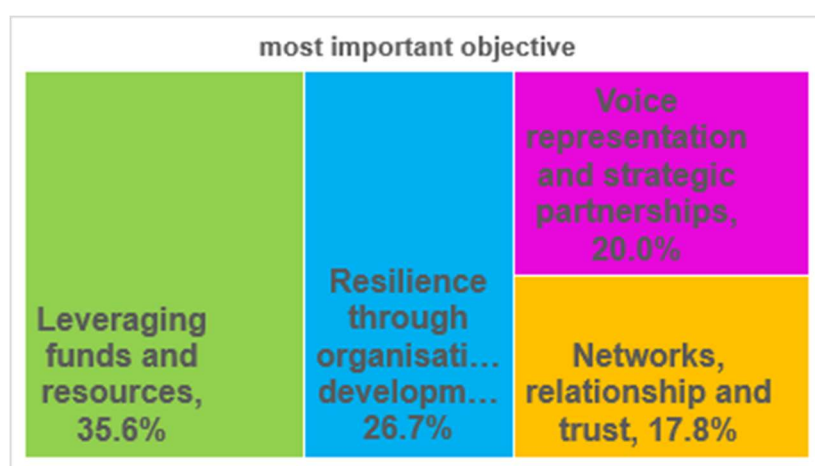
2. PURPOSE OF SERVICE

2.1 To provide support to the VCS in Lambeth to meet the needs identified in the VCS Strategy. This will include support to develop and improve their financial sustainability, networks to develop partnerships, sharing of resources to improve collaboration and reduce duplication and to have a voice in strategy and policy across the borough.

2.2 The contract will provide consistency of quality and equity of access across the borough in terms of support that is available to VCS organisations, and will facilitate the sharing of skills and resources and encourage joint working between organisations. This will facilitate the development of a vibrant and diverse voluntary and community sector.

2.3 Who will the Service be provided to
2.4 The service will be available to voluntary sector organisations, charities and community groups including social enterprises that are Lambeth based.

3.CONTRACT OUTCOMES:

3.1 Outcomes have been co-designed by the consultants and the steering group. These will align to the high-level outcomes identified in the VCS strategy. Key outcomes are to support the VCS in carrying out their work of responding to the needs of Lambeth's communities and being a key partner in delivering services on behalf of Lambeth Council.

Vision	A valued, competent, indispensable and harmonious voluntary and community sector working to champion and provide a supportive and sustainable environment for all communities in the borough.			
Mission	Internal –a confident sector that resolves its weaknesses and builds on its strengths		External – that deals with its threats and embraces all the opportunities	
	Create a competent and skilled corps of volunteers and organisations	Forge connections between community and voluntary organisations	Build effective linkages with the public and private sectors	Promote the sector to all its multiple stakeholders of funders and beneficiaries
Strategic Objectives	Increase the scope of organisational development and capacity building of the sector	Improve the coordination of networks relationship and trust between organisations	Increase representation on strategic partnership to give the sector a stronger voice	Leverage more funds and resources into the borough
Services	Capacity building and organisational development	Networking and coordination of intra sector relationships	Voice and representation on strategic partnerships	Leveraging funding and resources into the borough
Outputs	Consultancy to help set up and support functional management and sector specific training Provision of management resources Practical assistance with best practice	Provision of information on relevant and topical issues Exchanging information with statutory sector and funders Representation of sector at highest level of boards Co design and co-production of services	Facilitating sector fora Facilitating special interest fora Database of members and professionals Newsletter and information provision	Bids with trusts and foundations Bids with statutory sector Forging relationships with businesses Creation of fund or asset source
Outcomes	An increase in the number of organisations working to support the communities Well run organisations with effective governance arrangements and processes Well trained staff and volunteers to deliver services to the communities	More networking amongst organisations and sectors within the borough More dissemination of information to keep organisations up to date with what different groups are doing and what is happening within the statutory sector More organisations coming together to bid for contracts and forming consortia	Increased awareness of priorities of the statutory sector and all its processes as well as representation on boards More meaningful consultations and engagement with the statutory sector to work together on programmes and projects Changes and adjustments to policies based on intelligence from the sector	More funds and grants brought into the borough through linkages with funders and statutory sector Setting up of grants fund for smaller organisations for restricted as well as unrestricted funding More businesses and statutory sector agencies sponsoring events and organisations by providing support in kind

4. SERVICE OUTPUTS
4.1 What type of Service needs to be provided?

Capacity building and organisational development

- Identifying new and emerging community organisations through referrals from a variety of sources including advertising links with statutory sector organisations and from networking events and their database
- Providing organisations with advice, guidance and information to enable them establish their organisations using traditional legal structures as well as alternative governance structures. Also helping them to develop business plans and other strategy documents as required
- Providing them with training courses, workshops and seminars on a variety of relevant functional management, informational and topical issues to enable them grow and improve their performance
- Arranging for them to have sector specific training, mentoring and support from others in the voluntary, business and statutory sector
- Provision of learning materials held on multiple platforms including online guides and interactive programmes of assistance
- Providing for other alternative forms of support including practical assistance and sharing of best practice

Networking and coordination of intra sector relationships

- Developing databases of organisations within the sector, of professionals and businesses who can assist the sector and of statutory sector agencies who are intent on working with the sector
- Providing facilities and arranging for organisations within the sector to meet frequently; facilitating their meetings, conferences, seminars, exhibitions and providing feedback on these meetings
- Ensuring that special interest fora are set up such as a small groups forum, fora representing different sectors such as health and social care, education, children and young people, older persons, leisure and sports, crime and safety and other fora that may be necessary
- Providing information for all members of the forum that would be disseminated on multiple platforms such as in print and on the internet. Such information to include sector specific events, grants and other funding opportunities and contracts that are available in the borough and pertinent to the development of member organisations
- Advertising and promoting events organised by member organisations and ensuring that these are attended by all members

Voice and representation on strategic partnerships

- Providing and facilitating the exchange of information between the sector and statutory agencies, funding trusts and foundations to ensure that the sector has a better understanding of the priorities of these agencies
- Providing intelligence to the external agencies to give them more insight into the views of the sector on specific issues and acting as a channel for consultation between the voluntary sector and its external stakeholders
- Ensuring that the voice of the sector is heard amongst its stakeholders and beyond by promoting VCS events and activities at the regional and national level where possible
- Seeking to influence its strategic partners and developing a mechanism to ensure that organisations in the borough are invited to sit on boards and committees and commissions of importance so that they can influence policy
- Ensuring that organisations in the sector are provided with information from the statutory sector so that they can work jointly to influence policy, shape programmes and delivery projects
-

Leveraging funding and resources into the borough

- Providing access to funding databases and specific information on funding and contracts available in the borough
- Providing direct assistance to organisations in their funding bids and helping consortia that are formed write applications for funding from funders within and outside of the borough
- Working with funders and other statutory agencies and businesses to set up funds that will be available to help develop the capacity of the sector and to deliver services to the communities
- Engaging with local and national businesses to enable them to sponsor events and organisations that they endorse in the borough
- Working with the statutory sector and others to develop project bids that are likely to attract inward investment into the borough

5. BIDDING PROCESS
5.1 Responses to the tender should cover the following areas:
- state what they intend to deliver as part of the contract.
- how they will ensure the service covers all of Lambeth and yet have a local focus.
- a clear statement of aims and objectives which must be reflected in services provided and supported by a clear service plan.
- demonstrate that any service provision associated with the provider or any partner organisation or sub-contractor does not constitute a conflict of interest with their infrastructure support function. Any associated service provision must not inhibit the ability of the provider to facilitate the building of networks and collaborations within the sector.
- ability to work alongside the recipient organisation(s) and agree what type and level of service is required to meet their individual needs.
- how the support provided will be accessible to individuals and their organisation, recognising needs related to disability, race, culture, religion, sexuality, age and gender.
- how they will ensure the support provided reflects clients' needs, which can change over time, and how the support will be managed so that the service can respond accordingly.
- quality assurance policy and a process that measures the quality of the support being delivered and arrangements for sharing the results with commissioners.
- how complaints/compliments will be handled
- procedures for handling Data Protection and Freedom of Information issues

5.2 How the Service will be managed
- The Service Provider will appoint a Contract Manager who will be the key liaison person for the Service.
- Lambeth Council will nominate a contract manager who will be the key liaison person for the service.
- Quarterly contract monitoring meetings will be scheduled to monitor the contract and discuss the performance management requirements of the specification and outcomes. Adjustments can be discussed and agreed if appropriate.
- In addition to the quarterly reviews, there will be an annual contract review to monitor the key performance management requirements of the specification and outcomes for the year.

5.3   Performance management data required
- A performance framework will be agreed with the successful provider and the commissioners following contract award, but this will include at a minimum, the number of voluntary and community organisations that have been supported in bidding opportunities, successful in contract award, total funding secured and numbers of jobs created. An annual satisfaction survey of the sector should also be completed to monitor the quality of the service provided.

5.4 Performance management data outputs will be used to measure and monitor the following areas:
- clear procedures for logging, prioritising and tracking the progress of referrals and keeping relevant statistics and outcomes.
- feedback pre-and post-support from organisations regarding their professional skills. There will be a KPI developed to measure performance in this area.
- the number of training sessions accessed, to which organisations and a measure of their pre- and post knowledge of the course content.
- feedback from all organisations that access training and evidence of their levels of satisfaction.
- the number of funding applications made: by type of organisation, the number that are successful and the funding amount secured.
- how the support provided to organisations contributed to funding applications and awards, including how organisations have been facilitated to work together and make partnership applications.
- the number and type of organisations that attend the networking events and evidence of how the provision is flexing to meet these organisation's needs.
- the number of engagements with the statutory sector and the outcomes

- the number of boards and committees that have welcomed members from the voluntary sector
- the number newsletters published and/or emailed, or social media profile
- the number of funding applications it has helped to write and the amounts secured
- the number of funders engaged with to leverage in new funds

The provider will produce an annual report in March of each year of the contract which will identify progress against the outcomes using the performance management data set out and agreed and intelligence about the wider VCS in Lambeth which the provider seeks to represent.

The Service Provider must also be able to produce such management information as the Council may require from time to time.

6 SERVICE PROCESSES
6.1 The quality assurance systems that will be maintained:
- there must be a robust mechanism in place for ensuring the quality of the Service that is being provided and a clear process outlining action that will be taken if the service falls below the standards identified.
- There must be processes and procedures for consulting with customers on a regular basis which includes: surveying customers by securing feedback on their views and opinions of the service.
- there must be evidence that feedback is sought for each part of the service and that action has been taken based on this feedback to further develop the service quality.

7. SERVICE INPUTS
7.1 Management and staff requirements to deliver the Contract
- The Service Provider must make sure there are a sufficient number of managerial, supervisory and administrative staff that are suitably qualified and skilled to deliver all the specified outputs within this Specification.
- The Service Provider must appoint a Contract Manager who has specific responsibility for the management of this Contract.
- The Service Provider will be required to detail staffing levels, and staffing costs in the final tender submission.

8. PERFORMANCE MONITORING – KEY PERFORMANCE INDICATORS AND SERVICE CREDITS

8.1 How the Contract will be monitored?

- We will agree a monitoring process within the first quarter of the contract life. This will include the development of Key Performance Indicators.

8.2 Performance Indicators:

- During mobilisation, the Service Provider will work with the Lambeth Council Contract Manager to develop a set of Key Performance Indicators and agree a methodology for recording, monitoring and reporting performance data.
- Evidence gathered for performance monitoring purposes will also be used in future planning and strategic development.
- The Service is expected to evidence performance against each of the outcomes as specified in section 3 above.

Key Performance Indicators will include:

- Performance Management Data as outlined in 5.4 above.
- Quality assurance processes as detailed in 6.1 above.
- Complaints and compliment data as outlined in 8.4 below.

8.3 Quarterly Meetings

- Throughout the course of this agreement the supplier will be expected to work with the contract manager to review and develop the service according to strategic and local needs.

Evaluation of the service will be utilised to inform future commissioning activity.

- The provider will be expected to submit performance monitoring information in the agreed format at least two weeks before the quarterly performance monitoring meetings.
- The provider will be expected to meet with Lambeth Council representatives in Strategic and Corporate Services to facilitate information exchange and intelligence sharing as set out in the Strategic Outcomes of the contract.

8.4 Complaints and Compliments

- The supplier must have an easily understood, well-published and accessible procedure to enable Customers to make a complaint or compliment, and for complaints to be investigated.

The procedure must include:

- Stages and timescales for the process,
- Acknowledgement of all complaints and an explanation of what action is to be taken
- Regular updates to the Customer of what is happening regarding their complaint
- A written record of all complaints and compliments including details of any investigation and action taken and
- A whistle-blowing policy to protect Staff from victimisation.
- A system must be in place to analyse and identify any pattern of complaints and compliments that will contribute to meeting the requirements of clause 6.1 Quality Assurance.

8.5 Invoicing

- All fees must be charged monthly in arrears to the Authority; settlement can be by BACS, or by invoice (E-invoicing) per scheme with payment terms of 30 days, unless otherwise specified.