



Subject Response to Camden's VCS Grant Review
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Information		Consultation		Action	
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Introduction

1. Camden BME Alliance (CBMEA) welcomes the opportunity to comment on the Council's voluntary and community sector (VCS) review paper.
2. We recognise that the implications of this review are far-reaching, for the broader VCS and the BME sector in particular. CBMEA also recognise that as an umbrella body, representing 40 BME VCS organisations, it is important that we respond robustly to the proposals that have been put forward.

Summary

3. This paper sets out CBMEAs formal response to Camden Council's VCS grant funding review. It should be stated that our collective view is one of great concern about this process and its outcomes. Detailed feedback is set out further on in this briefing. However a bulleted summary of our collective thoughts are set out below:
 - The review appears to be clearly driven by financial imperatives and motives, rather than the sustainability of Camden's VCS
 - There is a lack of clarity regarding the Council's vision and ambitions for the VCS
 - There is little by way of innovation and creativity in the proposed funding regime
 - It is abundantly clear that the Council has given no consideration whatsoever to CBMEAs earlier proposals, forwarded earlier in the year
 - There is a general sense that the conclusions to this review have probably been drawn some time before the review was conducted

Background and context

4. The VCS in Camden is well established. The scope and range of activities undertaken by VCOs in the borough is wide ranging and includes service provision, facilitation and lobbying. Robust networks mean that our reach extends to the least accessible in the borough. The sector therefore brings a wealth of knowledge and expertise to the table and is a significant asset to the community of Camden.
5. CBMEA acknowledges that the Council is clearly operating within a highly pressurised environment. As a recipient and custodian of public funds the Council has a statutory duty to demonstrate value for money and meet local and national efficiency targets. The additional pressures of internal scrutiny, by Council Members and external assessment, through bodies such as the Audit Commission only underline the necessity for financial prudence. As part of this, the Council must look at all its resources and CBMEA appreciates that the public would not expect VCS funding to be exempt from this.
6. In recognition, CBMEA has actively contributed to the discussion on future VCS grant funding. Our proposals paper 'Strong, Vibrant, Sustainable' (see Appendix B attached) specifically addressed the above challenges within a wider context of

a long term vision for the VCS sector (specifically those affecting the BME sector).

Specific issues

7. CBMEA has carefully considered the Council's VCS funding review and our broad observations are set out under the sub headers below.

a. vision

8. Even after a third reading of the paper, it is unclear exactly what the Council's long term vision is for the sector. Logically, the Council should first set out a clear unambiguous vision for the sector and its development. Once the vision is clear then a more substantive discussion can take place about its resourcing. The lack of clarity over a long term vision for the sector suggests that the drivers for the review are financial and have nothing to do with the sustainability of the VCS going forward. This is profoundly troubling and calls into question the Council's commitment to VCS growth.

b. freedoms and flexibilities

9. In CBMEA's vision paper 'Strong, Vibrant, Sustainable' we clearly articulated ideas for the development of an incentives and rewards programme for the VCS. The idea is that this would support increased creativity and innovation amongst VCOs. Despite our proposal, there is not even a single mention of any such programme of incentivisation. This despite the fact that the Council itself benefits from a range of freedoms offered by Government.

c. grant funding models

10. In CBMEA's vision paper 'Strong, Vibrant, Sustainable' we clearly articulated a range of grant funding models including ring-fenced grants, transitional awards, explorer funding, contracting arrangements and commissioning. Whilst the Council does see contract commissioning as part of its future plans it has studiously avoided any reference to any of the other innovative proposals put forward by CBMEA.

d. safeguarding infrastructure

11. The Council is specifically proposing to cut funding to infrastructure organisations such as CBMEA. Whilst CBMEA understands that the Council is clearly motivated by the need to place greater emphasis (as per Gershon) on the frontline, the Council misses the point. Within the borough, VCS infrastructure still requires significant development. Many VCSOs (in particular those in the BME sector) require major support in the areas of research, policy, performance management and business planning. Increased facilitation in these areas will strengthen capacity in the sector and over time fewer organisations will be reliant on VCS grant funding as greater numbers tap into alternative financing.
12. Further comments on the broader impact of the reviews proposals made by a selection of individual organisations can be found in Appendix A of this report.

Urgent responses sought from Camden Council

13. The above issues raise a number of major questions, which CBMEA would like the Council to urgently address. These are set out below.

- What is the Council's long term vision for the VCS?
- Does the Council explicitly and unreservedly share the vision for a strong, vibrant and sustainable VCS? If so, how does it see this vision expressed in its VCS review?
- Could the Council explain what plans it has to introduce or engage the VCS in a discussion about freedoms and relaxations? In particular could it explain how it proposes to incentivise added value service delivery?
- Could the Council formally address CBMEAs proposals for future VCS funding models as set out in 'Strong, Vibrant, Sustainable'?
- Could the Council indicate how it proposes to mitigate the negative impacts of funding cuts to infrastructure organisations and those they support?

Appendix A

Camden Voluntary Sector Review Consultation Findings

The following points are taken from dialogue that Azhar Bhatti (Community Engagement Officer, Camden BME Alliance) has had with member organisations based on the proposed Voluntary Sector Review. This report outlines member's views regarding the review and the impact that this might have on their organisations.

Congolese Action Group

Our current core costs grant will be coming to an end, and we are not sure whether we will be able to secure contracts under the new funding proposals for several reasons.

1. We fear that small organisations like ours will be most severely affected by the review because it would be very difficult for us to compete with larger organisations, say for example Connexions.
2. We feel that if we lose out to larger competitors then it will become very difficult for us to continue working with our young people unless the larger competitor's subcontract us to work with the local Congolese youth.
3. We feel that without our links and knowledge of the local Congolese community in Camden, any effective work/projects targeted at our youth would be very difficult to achieve.
4. Other concerns that we have, is that we cannot simply be commissioned for one service. We provide a variety of services to our community all of which are important, i.e. housing and immigration advice. If only part of our service is funded then there will be a loss felt in our community. The core costs we currently receive help to run this office and also contribute to a key worker post which provides advice and signposting to the community.
5. The council also now wants to concentrate on targets and numbers, but at the moment we have no idea of the kind of targets they would like us to meet, so how can we be in a position to negotiate with them if we do not know.
6. We will be seeking funding from other funders, but would prefer to be funded at least in part from the council because it will help towards us becoming more sustainable and also mean that we can continue to maintain links with the council.
7. We feel that the council underestimates the work that small BME organisations like ours do. We often work with minimal staff and cover a lot of work.
8. Even though we are improving our organisation all the time, by working with other agencies, such as CTN, we have also installed quality standards, worked out new financial systems, and are working steadily towards increased robustness. But we are concerned that this might

not be recognised by the council in terms of funding because some larger organisation might be preferred

9. Will the larger organisations have the same level of expertise and knowledge to deal with particular BME communities? The council needs to think long and hard about how BME communities are to be catered for under this review

Asian Women's Lone Parent Association

1. We will try and apply under access to services, and seems to be the closest match that our organisation fits under, however we also do a lot of work around counselling and therapeutic support and we are not sure if that service will also form part of any contract that we might sign with the council. This is a very important part of our work and the organisation would suffer drastically in being able to achieve its aims.
2. The current funding approach being proposed is good theoretically in terms of seeking robust providers, but BME organisations will have to compete with each other even though they serve different communities.
3. We are concerned that we cannot compete with larger organisations, even though we do unique and valuable work.
4. Because many BME services are centred on access to rights and access to services, we feel that these budgets should be increased to 15% possibly even 17% in order to continue meeting these needs.
5. We also feel that the budget for health promotion should be increased because this is an area where Many BME communities are currently providing services, or are planning to start.
6. In regard to the eligibility criteria smaller newer organisations should not be compared to larger well-established organisations. Organisations like ours are new and growing and are doing an excellent job. Other, established organisations have had their crack, let us have ours. Small organisations like ours are unique and dynamic and this needs to be recognized
7. Funders need to be more sensitive around our own confidentiality issues and we cannot be expect to disclose confidential information about clients, for monitoring reasons. Any such requests should be negotiated at the beginning of contracts.
8. We are not sure who our competitors are, but we have been trying to put together a consortium, but we are under resourced to make this happen. We have two part time staff that deal with casework, and a little admin support. We do not have the resources to promote ourselves and network like the larger organisations, and we do feel that the work we do is not fully recognized because we are small and cannot at present assert ourselves.
9. Other organisations might beat us in competition because they are more established but they might have to start at the beginning. It takes a lot of time and effort to establish inks, trust, and relationships between service providers.
10. The autonomy of small BME Sector organisations needs to be maintained.

11. The council wants to be cost effective but the question is at what cost.

Response by Somali Community Centre

1. The new commissioning process will see Somali Organisations competing against each other for the same funds. It is quite possible and likely that they will not all get funded, which will disrupt our community because core services top the community could well be lost, and the provision and support for non funded organisations is next to nothing.
2. But it is important to bear in mind that there are only two Somali organisations that provide advice and information for the community. Ours is one and British Somali Community is the other, whose is a women's organisation. I would like to stress that we do not duplicate each other's work. Even though it might appear that way.
3. The council has to recognize that organisations work across cultural, religious, gender and geographical boundaries and is currently a requirement for BME communities.
4. The other point that has to be recognised is that people have a preferred provider who they are comfortable with. If the council decides to reconfigure the sector or force it to, there are no guarantees that the BME communities will take up services by new providers.
5. It is difficult for organisations to really make progress on this review without knowing the specifications for particular subsections of the priorities.
6. We suspect that this review will end up wrecking the sector. The sector has been doing well and getting stronger, if something is not broken why try and fix it.
7. We feel that many of the decisions have already been made on the priorities and budgets selected, what does the council want to consult on.
8. There is a risk in putting a monetary value on community need. For example the law centre has had its budget cut by 42%. That will massively affect us because we refer many clients there.
9. Larger organisations can stay sustainable; they have the expertise and resources to secure alternative funds.
10. Will it be the case that BME organisations will have to pay the price because the new administration wants cuts?
11. The budget for access to advice needs to be increased to accommodate everyone's needs because these services are very much in demand and there could be a shortfall in funding to sustain need if these budgets are not increased.

Camden Chinese Community Centre

1. As an organisation that provides services to the Chinese community in Camden, and our concerns about the proposals in the Camden voluntary sector review are that it will compromise our ability to be a multi provider organisation to our community.
2. The regime of NFA's, commissioning and the way the subsections of the priority areas have been decided will prove to be too much for organisations to cope with. This will mean that to sustain our current services we will have to make maybe up to five applications, maybe more. The level of bureaucracy will be huge and the services we currently deliver will be split up.
3. We are concerned that, we and other BME providers provide a holistic service, and the review seems to be designed in a way that will split services into different budgets.
4. We would also like to know how has the council arrived at the budget allocations, and what the figures based on?
5. To arrive at figures and allocations for the whole of the voluntary sector would require very detailed knowledge of how voluntary sector finances are arranged. Has this mapping/scooping exercise been conducted?
6. Budgets to access to services, community buildings, community safety, and health promotion are all large areas in the BME sector and us, and bearing this in mind we feel that the budget allocations for these area are small and should be increased, especially health promotion because this is a developing area for us and other BME organisations.
7. The access to rights section will be a difficult one to manage because it is very likely that there will be significant competition in this area and most probably a very high number of applicants. Not all will be funded and we are concerned about the profile of the sector if this happens. The shortfall of organisations having to cut services will be felt ultimately by the community.
8. The council has to understand that BME communities have their preferred provider who they are comfortable with. It takes years to establish this kind of relationship with a community. Community centres become like second homes to users quite a lot of the time.
9. Subcontracting to another provider will very likely mean loss of quality.
10. An example of this is in Tower Hamlets they have a new one-stop shop for advice services with a Chinese worker. But the Chinese community there does not use this service. One of the reasons for this is that there are several dialects in the Chinese language. How will the councils funding arrangements account for these nuances in language. Here, at the centre we cater for all dialects.
11. We do not want our independence compromised, and this is a real danger if grant funding is replaced by NFA's and Commissioning.
12. The councils proposals need to be more transparent, especially the budget allocations and how they have been calculated. We are concerned that the proposals will disrupt the delicate language and interpreting provisions that organisations have built up.
13. The other issue is how do you define a community building.

14. The outcomes that the council should be seeking are a high attendance of services/activities offered by organisations. Clients receive a better quality of life, are healthier and happier.

Ethiopian Community In Britain

There are several points to be made about the Camden Voluntary Sector Review, but essentially we do not think that these proposals will benefit the sector.

1. The process will involve an open bidding process and could involve larger more robust institutions outside of Camden winning contracts. We feel that this is unfair. We have been informed that this accords with EU rules but do not find this satisfactory.
2. In the current proposals the project briefs are pre determined, and we feel that this ignores community processes. Grant aid enables us to cater to what we know to be community needs. The proposed approach is a top down approach and seriously risks losing contact with grass roots community needs.
3. Additionally, there has been no time given for a reasonable grass roots consultation, and the related question is how many of the smaller organisations have the resources and time to consider the implications of this review, when they struggle to find time to do fundraising. These are complicated concepts to digest and time is needed for these ideas to filter through to clients, organisations and communities.
4. Having to apply to separate categories to provide services will definitely put more pressure on organisations resources because the level of bureaucracy will increase.
5. This review it seems has not paid much attention to the present number of services and resources and potential that is already there in the sector.
6. We cannot see how the review is applicable to grass roots level community provision. Has the council scoped how this will affect the sector?
7. The budget for advice and rights has been cut, yet the need for these services, particularly in the BME and refugee communities is very high.
8. It is very important to understand the psychological makeup of communities, and the fact that services can only effectively be delivered in a culturally sensitive way. It seems that the policy makers are at risk of ignoring this.
9. Organisations like ours deliver services that relate to the basics of survival. Take for example Esol and IT training. These classes are very important to our community; yet funding for these has already been cut so we cant deliver these services now. Without being able to speak English a person cannot even go shopping. The other point is that clients prefer provision to be delivered centrally by their own community rather than go to a college where they feel less confident. How can the authorities hope for BME communities to play a more active role in citizenship without these basic provisions?

10. Also, this does not seem like a fair and open consultation, since the calendar has been predetermined, the top down priorities have also been predetermined as well as their respective budget allocations. So what is there to consult on?
11. The council has said that smaller organisations should form partnerships but this takes time, and it is harder for smaller organisations to do this. So they are being doubly disadvantaged.
12. Grant aid should stay and commissioning should have been piloted to see how it works. The council should phase in this new approach to help the sector to adjust. To subject the whole sector to a process like this is a big risk, and BME organisations might bear the brunt of this because they will be the hardest hit. This approach will force us split, fragment and cut back our service provision.
13. The pot for one of payments of 40K is too small and needs to be much bigger if the council proposes using this to maintain stability, reduce disruption, and respond to new needs.
14. If you are a multi provider like us how can you decide which area you are strongest in. we perceive all of our services to be as important as each other, because our services are informed by the community much more directly.
15. It is not fair that voluntary sector and BME organisations should have to compete like this with each other when the sector is doing as well as it is. How can we be expected to form partnerships with potential rivals?
16. Esol should be retained as a priority within this fund because many of our clients wish to learn English to apply for citizenship test, as well as educate themselves.
17. In regards to the eligibility criteria, management committee members should be allowed to live outside the borough because they provide specialist advice that might not be available locally. They provide a free service and save money for the organisation, which does contribute to the sustainability of organisations, especially small ones.

Camden Black Parents and Teachers Association

1. We have doubts about the effectiveness of this consultation; it is actually disconcerting that the council is already very clear on what it wants and what proportion it wants the voluntary/BME sector
2. The council does not seem to have considered that taking away core funding will automatically affect small organisations ability to fundraise and therefore stay sustainable.
3. Small organisations are struggling to fundraise as it is, especially when you keep in mind that much of the other funder's only give matched funding for projects. Without the core funding from the council organisations stand to lose this option.
4. What contingencies have been set for this? The council must know core costs often contribute to several projects even though the councils funding might only contribute 20% to each project but is essential to attract the interest of other funder's. In relation to this most funders have a limit on how much an organisation can apply for, and the funds that the council awards for core costs helps to top up these capped

projects, so full cost recovery will be very difficult for most organisations.

5. To do what the council wants to do should take 2-3 years, not 6 months. This point is particularly relevant when there is also fierce competition for other funding pots such as the Big Lottery. So there will be losers in this process, and disruption in the sector. The council's contingencies of a small pot of 40K are patronising because more support and a longer transitional period for the sector is needed for it to adjust.
6. If organisations such as the law centre and CAB are forced to make cuts, then Camden residents will suffer because more people will be getting ripped off, more people will be struggling with debt and BME organisations would also lose a valuable resource because many of them sign post their clients there. Also, what guarantee is there that users will take up any services that are commissioned? BME users of services are usually loyal and once they use a service, find it difficult to go to a new one. The point is that people from the BME communities have their preferred providers. If the review rearranges who provides which services to whom and where, severe disruption could also be caused to users and communities.
7. At present the councils Grant Aid system has contributed much added value to the sector via the forums and networks that have been established and refined over years of growth, there is a risk of losing large patches of it if key posts and services are cut. Steering groups and sub committees would lose attendance and expertise. It would be difficult to replace this loss in the short term.
8. This could mean a loss of engagement with communities, which is a contradiction because involvement of the voluntary sector is a governmental drive.
9. Additionally, the council has community organisations reporting to them about community needs, issues, and progress through monitoring arrangements. This ensures that the council is engaged with local communities and residents. If enough organisations do not receive funding this vital stream of information will most likely dry up, particularly if non-local organisations are contracted.
10. No one can really predict how the sector will respond to these new funding arrangements because they are very inflexible once applied. The council's proposals seem to resemble a vision of the voluntary sector that is simply a statutory arm controlled by them.
11. The priorities, budgets, criteria and timetabling have already been set out, which reduces the effectiveness of this consultation.
12. There is no real reason for this review, but the councils pick and mix top down approach risks wiping out all the good work that has been done at the grass roots level.
13. We feel that being transferred to the children schools and families directorate, and removed from the voluntary sector will risk a negative impact on our organisation. The main reason we are apprehensive of this move is that our ethos is very much based on education, and that our ethnic tag might actually disadvantage us because we might be boxed in as BME rather than an organisation that is dedicated to

education. Our values as a voluntary organisation might not be in line with the directorate that we are being transferred to. We would feel more secure if our funding is ring fenced once the transfer has been completed.

14. The eligibility criteria runs a major risk allowing outside agencies and business to come in and hijack funds, because money is a motivator for businesses and they will manage to find loopholes in the criteria, and because their proposals will still have to be considered, the mainstream voluntary sector will be at a disadvantage, because it would be competing with robust and sustainable organisations outside the borough.
15. But the council does not seem to have considered that the voluntary sector is value driven, and this dedication and commitment cannot be replaced, and the current bottom up approach will be seriously compromised to the detriment of the sector.

Bengali Workers Association

1. We do not really understand what is so different about commissioning and NFA's because this already happens in Camden. For example our lunch club is commissioned by social services
2. The main difference it seems is that the council now wants to set the priorities. Currently, these priorities are set by the voluntary sector via the grant aid process where organisations are allowed the flexibility to set priorities that are informed at the grass roots level by communities.
3. We have serious doubts on whether the council has the knowledge of the grass roots level needs and issues to be setting up priorities. Workers based in the community and at the front line of service delivery are surely better informed. With this review there is a risk that the specialist knowledge in the sector could be made redundant. This top down approach will fail, and the result of it will be that there will be more misunderstanding and division among communities.
4. The council is keen to set the priorities, but how much knowledge does it have regarding how different issues and problem areas are interrelated to create other problems. An example of this is the situation where many BME communities are living in overcrowded conditions, and many of the youth end up on the streets and then getting involved in crime and drugs. The BME sector has to be given the freedom to set its own priorities and deliver services in a way that is sustainable for it and not the council.
5. The splitting up of the funds into various categories will threaten the ability of BME organisations to stay multiprovider, and if you are a multi provider it is difficult to make a choice on where you strongest or what is the most valued service, because they are all important to users. Centres like ours become the hub of the community, our users do not generally take much interest in national or local politics, but when it comes to the Surma Centre users are very much involved.
6. The reality is that organisations like ours serve the welfare of the community, and cannot easily be replaced by other providers because

our users are very loyal, and would have no wish to go elsewhere. Many see the centre as a second home, and most importantly, we have few new users. The majority have been with us for years and years. So you can see the complications that could arise for users if our provisions of service are compromised or disrupted by the review. The council has to bear in mind that BME communities use their community centres as a congregation point and demand a holistic service.

7. However, with these new proposals there is little or no room for this holistic approach. This will also cause successful projects to be possibly split up, as well damage existing partnerships that rely on partner organisations also being funded and staying sustainable.
8. The other point we do not understand is which other provider can replace the work we do inside Camden. The answer is no one. So why are we being forced to compete with other organisations when we serve the Bangladeshi population. Agencies outside the borough will not have the necessary links with Bengali Population in Camden, nor is it likely that our users will take up new services by a new provider.

Centre for Filipinos

1. While we appreciate the fact that the Executive Officers agreed on a “mixed economy” funding, we still believe that this will affect a lot of BME organisations.
2. The Overall Priorities on social cohesion and inclusion (Sustainable Communities) and support to maintain a vibrant VCS in Camden (Sustainable Voluntary and Community Sector) are very important to build the capacity of small organisations which unfortunately are mostly BME groups. However the current proposals will incapacitate a lot of us if not totally close us down.
3. A lot of Ethnic Organisations will either fall on Access to Services or Access to Rights, but in reality most of us are multi-service providers and also fall under other detailed criterion. To apply under these categories, and winning contracts will be difficult, we feel that our chances are slim in comparison to bigger organisations that have more resources and personnel than us. Although we can apply to different allocated areas we do not have the absolute assurance that we will be successful in getting the grant, be it Negotiated Funding Agreement or Grant Aid (most of us will definitely not qualify for commissioning anyway).
4. The Centre for Filipinos not only provides assisted Information for our community here in Camden, we also provide a lot of services for our Children & Youth Group, Parents Group and Older People in spite of our minimal funding. We use internal resources, volunteers and support from different parts of our community to provide the most needed services and activities which emerged/developed from our clients’ needs.
5. The Centre for Filipinos is the only organisation where Filipinos who live and work in Camden can access mainstream services and support. Our main funding comes from Camden Council but we also bring in other funding resources for our projects and activities from other trust/grant making bodies in this borough.
6. In order for BME organisations to reach their potential in the councils Capacity Building program we need the council to carry us through this process gradually not abruptly. We do realise that there would be changes

and the council would like to give budding organisations a chance to flourish like us, but they must bear in mind that if they do that by cutting well established VSC they are actually contradicting their Capacity Building program/support to small BME organisation and their Equality Policy, unless of course this is the actual reason why we are suddenly moving towards this system of funding (we do hear the argument of why do we need to support all these BME organisations why don't they just go to CAB's and LAW Centre's.

7. The reason why a BME organisations exist is because most of our clients/service users are not confident enough to access mainstream services outside their own ethnic community due to a lot of barriers – (of course we all know this), let's just look at it the other way around, you find yourself living in countries outside UK and you don't know where to go, what to do and who to trust – wouldn't you feel safer to go to your own people/community?
8. The council needs to take into consideration the cultural, language, educational and emotional impact this will have to a despondent and desperate person seeking help and someone to trust. The situation would be dire if there is no community centre for our community, where people can go and find other people who share the same values and experiences.
9. We may be small BME organisations but we are the councils grass root workers that link them to the community at large, take away that funding from us – the more you'll find Children & Youth with anti-social behaviour and vices, isolated Older People and people with mental health due to stress and depression. In our own small way we are trying so hard to address these issues with very minimal funding support, which is now also being threatened due to funding cuts and this review

Summary of Findings

Serious doubts on whether the sector will be able to sustain itself as a “multi provider

1. The way officers have divided the budgets means that a large part of the BME sector will be competing with the rest of the voluntary sector within two categories (Access to Services and Access to Rights). Members have recommended that the size of these budgets should be increased in order to offset the possibility of a BME sector in Camden that no longer has the capacity to deliver these vital services to the community.
2. In addition to this point, member’s broad view was that the budget for environment/environmental education was too high, and is not a high a priority as Access to Services and Rights. Thus the environment is not such a high priority area for the BME sector (this was a significant finding in the Community Strategy consultation that CBMEA undertook among member organisations and supports the above point). Members would like to see more money pooled from the environment budget into the Access to services and/or Access to Rights categories.
3. BME providers will find it difficult to assess which of the services they provide are more important. Is Esol more important than advice on housing (which is a particular need for a variety of BME organisations)
4. It is appreciated that organisations can apply to one or more of the funding categories but the question is how well will they fare in the competition. Main robust providers might benefit from this and win contracts (even though that might be at a cost of some services), but smaller organisations do not enjoy this advantage.
5. Health promotion and physical activity features prominently in the services provided by the BME sector yet the budget is only 2.5% to be shared among the voluntary sector as a whole. Need to ensure that this aspect of service delivery is not lost. Especially bearing in mind that this is a vision expressed in the community strategy for the Olympics. How will BME service providers sustain this aspect of service delivery via the new commissioning and negotiated funded agreements? Will the specifications make room for this and if so how within the relatively small budget constraints. It is felt that the size of this budget be reviewed and increased.
6. Voluntary organisations use the grant aid that they receive in order to attract other funders to the organisation. Without this core funding organisations will lose this option and struggle to stay sustainable (especially bearing in mind that the transitional period is very short in comparison to how long it takes to fundraise from alternative sources).
7. Some members stressed that BME organisations do not duplicate work as it might appear to officers in the council. BME organisations work across gender, age, cultural, religious and geographical boundaries. Additionally, the services offered to the same community are different for each organisation.

Competition

1. Member organisations are concerned about the competition that the sector will be forced to undergo.
2. Particular concern is reserved for smaller organisations having to compete with larger, more robust and sustainable organisations. However there is little or no recognition that smaller organisations often do some of the most difficult work with the hardest to reach communities.
3. Will larger organisations have the same level of knowledge and expertise regarding BME communities in Camden, especially if they are outside of the borough and do not know the profile or have links with local communities.
4. Specific concerns are centred on having to compete within narrow bands of Access Services and Access to Rights (since most BME organisations perform much of this work

Loss of services will mean loss of partnerships.

8. VCS and BME sector do not work in isolation. Present partnerships exist and the question is, has there been sufficient scoping on how these will be maintained. Unless BME service providers (Many of which are also community centres) are allowed to deliver services informed by the grass roots level in the community, there is a danger of loss of engagement with the BME communities in Camden.
9. Partnerships will also prove difficult to maintain if key partner organisations are not funded (especially bearing in mind that the next funding cycle is in three years time).
10. The council has recommended that organisations work in partnerships. But how long will these take to establish, and how much disruption will be caused in the sector.
11. Even if new providers are found for services what is the assurances that the community members will take up services, bearing in mind that it takes months and years to establish trust and links with clientele, especially BME communities. For example the Congolese Action Group are the only Congolese community organisation that is funded by the council. If they are forced to cut back on services who will replace the service delivery gap for this community and the specialist knowledge and links that this organisation has locally.
12. Can the council afford to risk a reduction of engagement with these key communities at the cost of trying to prioritise service delivery?
13. The other point to be made is that BME organisations cater for individual communities and some of them by rights cannot reasonably be expected to compete for resources. CBMEA members feel that if they are, then it will be to the detriment of the sector.

Top down versus Bottom up approach to priorities

1. The findings also show that member organisations are very concerned about not being able to set the priorities for their organisations (which are informed by being based in the community), and so there is a concern that organisations could lose their independence

2. Sticking to the bottom up approach seems to be the most favoured approach among member organisations, and the council's top down approach (setting the priorities) is seen as being potentially harmful to the voluntary/BME sector.
3. The Top Down approach risks
 - Breaking partnerships,
 - Forcing organisations to cut back on services.
 - Not being clear how multi-providers will be accommodated under this framework
 - Losing the added value that the sector has built,
 - Finally to a quote a member organisation "reduce the voluntary sector to being a statutory arm of the council".

APPENDIX B



'Strong, Vibrant, Sustainable'

A 10-year vision for Camden's BME voluntary
and community sector

A Proposals Paper by

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A 10-year vision

1. Fundamentally the long-term vision for the voluntary and community sector (VCS) cannot be one given to us. Rather it has to be one that we have for ourselves, informed by our longstanding service to the people of Camden and our close appreciation of their needs, wants and aspirations. Yet at the same time, the VCS must also remember that it cannot realise its vision alone. At a basic level we rely on our partners, in particular the local Council to share our ambition and reflect this in terms of policy, strategy and investment.
2. A shared vision has to acknowledge that the sector is a community asset, with the potential to create new pathways to communities and achievement of outcomes previously thought unachievable. Furthermore, the sector itself has to be helped to grow and alongside our partners we need to agree definitions and metrics by which 'growth' can be clearly measured.
3. So what does a strong, vibrant and sustainable voluntary and community sector (VCS) mean? Set out below are the three priority building blocks, which are seen as integral to the vision.

A strong voluntary and community sector

4. A strong VCS is one that is self-aware, better understands what it does well and maximises opportunities to do things better. It is well informed and strategically influential, with an increased capacity to shape local decisions and improve local lives. It is also agile and flexible, able to respond to existing need and anticipated demand.

A vibrant voluntary and community sector

5. For Camden, a vibrant voluntary and community sector is one that reflects the rich diversity of the borough, in a way that makes the most of the various skill and knowledge assets available to it. This is crucial in order that the sector can be sensitive to the wide ranging needs and wants of people living in the borough and bridge the gaps to those communities that are least accessible, through barriers of language, trust, education, geography or other factors.

A sustainable voluntary and community sector

6. There are many measures of sustainability but the greatest measure is that of growth. Growth in terms of diversity of provision and provider, growth in terms of attracting inward investment from a wide range of sources and delivering value for money. And growth, in terms of ability to develop innovative pathfinders and trailblazers that become models of excellence and templates for mainstream service provision.

Summary

7. The purpose of this paper is not to rehearse the value and importance of the VCS to Camden. This is a given. Instead its purpose is to explore and articulate a long-term vision for the VCS in Camden and help prepare the groundwork for a strategy. The paper considers where we are now, where we need to get to and how we need to get there. It also considers how various factors are likely to impact upon the way, such as local and national policy drivers.
8. Fundamentally, it is an ambitious and practical vision for the future. It recognises that infrastructure changes, though critically important, are change agents not change deliverers. It therefore explores environmental factors and cultural issues and recognises that, if nothing else, delivering a long-term vision is about evolution not revolution.
9. The vision set out in this paper also focuses on partnership, particularly the VCS / Council partnership. As community leader, the Council has a statutory role to play in doing 'anything to promote the social economic well being of those living in the area.' This role needs to be more clearly defined as it relates to the VCS and it is hoped that the ideas set out further on can help inform the Council's thinking.

National policy drivers

10. There are a number of dominant drivers impacting upon the sector right now. Fundamental to these is the Treasury's Crosscutting Review of the VCS,¹ which set out an ambitious vision for the progressive development of the sector, backed up by significant investment in the development of its capacity. As an example of this the 'Futurebuilders' programme has made tens of millions available to be ploughed into the sector to support its public sector delivery role. Similarly, the ChangeUp agenda is focusing upon a wide range of infrastructure support areas critical to the VCS's long-term effectiveness.
11. The central government's focus on neighbourhoods and communities² also has profound implications for the sector. Particularly as it relates to the devolution of decision making beyond town halls to neighbourhoods themselves. Devolved decision making to localities places the VCS right at the very centre and challenges both the Council and ourselves to think through the broad range of issues and potential implications.
12. Never before has the VCS had so many potential suitors clamouring for its collective attention and never has there been such a time as this to be operating in the sector.

¹ Crosscutting Review of the Role of the Voluntary and Community Sector in Public Service Delivery - HM Treasury, September 2002

² Citizen Engagement and Public Services: Why Neighbourhoods Matter - ODPM/ Home Office, 2005

Local policy drivers

13. In 2003 the Council conducted a review of support to the VCS³. The review was wide ranging and followed on from an earlier best value review. Amongst others the review proposed aligning grant aid funding to Community Strategy themes as part of a priority-led funding framework. Proposals were also put forward for the resourcing of core funding to the VCS and to support the sector with the premises. The broad outcomes of this review have been carefully considered in the development of this paper and it is right that they should inform part of the ongoing dialogue between the Council and the VCS on the way forward.
14. Aligned to the above, it is also worth noting that Camden is now reviewing its Community Strategy. The current Strategy was launched in 2001 and provides a priorities backdrop for VCS activity in the borough. The new Community Strategy is due for launch in March 2007 and should address afresh, how the sustainability of the VCS will be supported. It is therefore hoped that this paper and subsequent discussions will contribute to those conversations.
15. The compact⁴ between the VCS and public sector bodies in Camden is another key local driver. The compact provides the basis within which the VCS and public sector bodies (the Council, the police, the Primary Care Trust, Job Centre Plus and others) will work together locally. The document contains guiding principles for inclusiveness, integrity, transparency, open dialogue and equality of opportunity by which the VCS and public sector bodies should engage.
16. Elsewhere, Camden has now developed a local area agreement (LAA)⁵. The LAA framework marks a significant shift in the way in which organisations work together in the borough. Essentially it focuses on partnership working, collective decision-making and rationalisation of a wide range of funding streams in the borough. LAA marks the beginning of what is to be a significant and profound change in VCS support and funding.
17. A focus on the key local policy drivers would be incomplete without a mention of the events of 07/07/05. Camden found itself at the epicentre of the attacks which took place on that day and since this time the Council has acted swiftly to bring community leaders together in an effort to re-affirm our shared desire for social harmony and peaceful co-existence. The events of 7/7 have reminded us of the importance of community to our borough. Crucially, the VCS has a major role to play in helping to build relationships within and between communities in the aftermath of those events.

³ Executive Report of Review and Support to the VCS in Camden, LB Camden 2003

⁴ A Compact for Camden: A Framework agreement between the Voluntary and Community Sector and Public Sector Partners

⁵ Local Area Agreement: A prospectus, ODPM, July 2004

A priorities framework for the VCS in Camden

18. Few would argue with the idea that the work of VCOs should be strategically coherent. Specifically, Camden residents and taxpayers should be able to see how the sectors work is contributing to the themes of Camden's Community Strategy. Such a link is important because it will better enable both the VCS and the Council to pinpoint where funding is being targeted, assess the balance of funding between key priorities and inform the conversation as to whether the alignment of funding to priorities accurately reflects existing or unmet need.
19. As part of the Council-led review of support to the VCS in Camden a framework linking funding to priorities was in fact proposed. The Council and the VCS should once again revisit this proposal and see how it can be taken forward.
20. In addition to the service delivery outcomes for the sector there also needs to be recognition of development priorities for the sector itself. Again, although at the highest level Camden's Community Strategy⁶ provides some recognition of the sector's development needs, these actually need to be properly identified.

Overview of VCS funding in Camden

21. In 2003-4, the Council funded VCOs in the borough to the tune of £14m. This sum represents the largest VCS budget of any borough in London. There is a critical point to be made in respect of the grant aid budget, as two strands of thought have emerged. One focuses purely on the budget quantum in comparison to other boroughs. Whilst the other sees Camden as a borough that values its VCS and is prepared to invest in its development. This is a critical point, as whichever perception holds sway will determine the long-term policy vision for the sector.
22. It is worth noting that the sector also secures funding from other sources too, including grants from Non-Government Public Bodies, income from the provision of contracted or commissioned services (such as through Supporting People and neighbourhood renewal), funding through other statutory bodies, private donations or other income generation activity.
23. Looking purely at the Council grant funding to the sector, approximately 102 VCOs currently receive grant aid from the Council. These organisations, which tend to be smaller in size, operate borough wide and reflect much of the rich diversity of our population. Their services are critical in reaching into service delivery gaps to meet the needs of communities that would otherwise go unmet. Indeed, much of the real work of these organisations can never really be measured through formal measurement techniques. How for example does one gauge the true value

⁶ Our Camden Our Future: Camden's Community Strategy - Camden Local Strategic Partnership, 2001

of work that builds bridges of trust with an inaccessible community that does not engage mainstream services?

24. Financial pressures, the need to meet efficiency targets⁷ and the increasing public demand for value for money are good reasons to look at doing things differently. But they cannot, by themselves, form the basis of the Council's longer-term relationship and dialogue with the VCS. That would be a purely one-dimensional approach and ultimately undermine the longer-term sustainability of the sector.
25. The Council should not simply be looking for ways to cut grants to the VCS. Rather it needs to set out a clear vision and engage the sector in a qualitative and wide-ranging conversation about the future. Engaging the sector in this way is crucial to building confidence and ensuring ownership of outcomes and is therefore a must-do if long-term ambitions are to be realised.
26. Let us be clear, it is not in the near or long-term interests of the VCS to develop 'learned helplessness', through over-dependency on grants from the Council. The sector does not want to become dependent, it wants to be independent, autonomous and empowered. Some money must always be made available to support the sector but we need to re-badge this in a way that clearly presents as support for growth rather than a statutory stipend.
27. Clearly the thinking around funding needs to be re-defined. It is important to note that this is not Council money, it is council taxpayer's money and public money. Ideas around how the Council and the VCS might want to approach this task are set out further on.

Incentives and rewards

28. Incentives and rewards, by themselves, cannot secure long-term sustainability. However, they are important levers and change agents. It is therefore proposed that consideration should be given to the introduction of an incentives and rewards package for the VCS. It is worth noting that, for many years the statutory sector has been a beneficiary of incentives from central government. For example, the freedoms and flexibilities available through the comprehensive performance assessment for local government or the statutory relaxation's that have created new powers for Councils to trade and generate income.⁸
29. Others include the performance reward grants available, to councils, through Local Public Service Agreement⁹ and the planning delivery grant also available to councils for their performance in turning around major and

⁷ The Efficiency Technical Note for Local Government - ODPM, December 2004

⁸ Local Government Act 2003

⁹ LPSA 2G: Building on Success - ODPM, December 2003

minor planning applications. One could go on and on here, but the point being made is clear.

30. Clearly, resource constraints dictate that, by itself, Camden is limited in terms of what it can agree to. But that should not be a barrier to discussion and it is worth noting that freedoms do not all have to be financial. The key issue here is that the Council needs to engage the sector in a conversation and explore feasible options. Indeed it may well be that as part of this conversation, the Council and its VCS partners approach Government with one or more pathfinder proposals in an effort to secure support for a specific initiative.
31. Some possible areas that the Council might wish to explore with VCS colleagues are set out under the various sub-headers below.

Freedoms and flexibilities

32. As part of this, the Council might negotiate with the various funders of a VCISO and agree a freedom whereby the separate reporting requirements to different bodies could be relaxed. In its place a single line reporting to the Council would be created for all funding being received by that VCO. As part of this the VCO would report on performance, for all its funding, once a quarter directly to the Council. The Council would then take on the responsibility for certifying performance and spend on behalf of this group to the various funding bodies.
33. Other freedoms could include more risk based audit and monitoring up to and including monitoring and audit holidays for sustained and improved performance or as means to enhance VCS efficiency.

Developmental schemes

34. Thought should be given to the setting up of perhaps two developmental schemes. The first would be a basic level incentive scheme which could offer negotiated monitoring holidays, invites to attend Council run training programmes and support to organise a local event (for under 50 people). Qualification for this would be open to all VCOs, although an accessibility standard would need to be agreed.
35. To complement this a reward scheme could be created, which could offer monitoring and audit holidays, financial rewards, freedoms to roll over unspent funds from one year to the next and opportunities to deliver pathfinder projects. Access to this scheme would need to be based on set of criteria such as positive monitoring reports, adoption of a quality standard (ie: PQASSO), processes and procedures in place and good governance.

Future grant funding models

36. It has already been noted that the vision set out in this paper cannot be realised overnight. The move to new models and implementing change will need to be phased and structured, with key milestones and measures of success along the way. Proposals for new grant funding models are set out under the sub headers below.

Ring-fenced grants

37. It is proposed that a ring fenced grant regime could operate on three levels. In the first instance funding could be ring-fenced to specific communities. This would prevent the effective monopolisation of grant funds by a single provider. The second proposal for ring-fencing could be on the basis of a priorities vision. In this case the Council would set the grant funding priorities for the year and next year, and then make grant funding allocations on the basis of amounts ring-fenced to each priority.

38. The third proposal for ring-fencing is that it be used as a tool to maintain diversity and choice in the VCS marketplace. As part of this, the Council would set aside an amount each year, as a sustainability fund for smaller community groups. Setting aside provision in this way would minimise the risk of smaller community groups being squeezed out by medium or larger VCOs.

Transitional grant award

39. The proposal here is for some element of the VCS grant aid pot to be set aside for use as a transitional grant award. The transitional award would be for a period of 12 months and its purpose would be to assist a VCSO to move to a sustainable funding regime, either through commissions or contracts, within the 12-month period.

40. The transitional grant would be awarded subject to the development and agreement of a transitional plan. The plan would have to set out what steps the VCSO would be taking to secure sustainable funding over the 12-months of the transitional period. Practical support from the Council would be a key part of the implementation of the transitional plan and this would help assist VCSO to secure sustainability funding by the end of the 12-month period.

41. If the VCSO were unable to secure alternative funding it could not apply for transitional grant again the following year. This would free up grant aid to be redistributed to new areas of unmet need. The proposal is that, if transitional grant award proves successful, the percentage of the grant set aside for this purpose could be incrementally decreased year on year.

Explorer fund

42. The proposal here is that a component of the VCS grant aid budget be set aside for explorer partnership, pathfinders and pilot projects. These could be specific projects developed jointly by the VCS and the Council or those that either the Council or VCOs would like to be commissioned. The aim is that any projects piloted would be funded for a year and, if successful, would be supported to access mainstream or external funding.

Contracting models

43. The Council could explore the possibility of piloting locality contracting. This would be based on a detailed appraisal of a local areas need. Information available at super-output level (1500 people) means that this type of service could be very effectively targeted. As part of this the Council could assess the service need of an area and agree a locality contract with a local VCS partnership to deliver various services.
44. Contract variations could also include 'added value contracts'. These contracts would essentially require providers to deliver an agreed additional level of performance for a reward element. Both the additional performance and the reward element would be negotiated between the Council and the VCSO.
45. Other specific contracts could be offered to VCOs to promote 'twining' between at least two organisations, which would be contracted to deliver a specific contract. The purpose of this would be to assist and incentivise VCOs who want to collaborate with others.

Commissioning

46. The proposal here is that a proportion of the grant aid budget could be set aside for project commissioning. Here there could be scope for flexibility to commission strategic partnerships of VCOs to provide specific services such as housing, health and education in line with an overarching theme such as 'services that promote social cohesion'. Or indeed to undertake specific developmental work such as research projects through which to 'break the back' of longstanding problems and provide detailed intelligence regarding the needs of service users, reasons for service failure etc.

Promoting a mix of approaches to VCS growth

47. One of the key challenges here is that the VCS is not a homogeneous group. Therefore even within the sector, growth may be defined differently. For some it may be defined in terms of an ability to develop social enterprise capacity to leverage in additional resources, whilst for others it may be defined in terms of remaining small but increasing the quality of services to existing users. For others it may be defined in terms of remaining independently constituted, whilst for others it might be defined in terms of merging with others to maximise economies of scale.

48. In line with other comments in this paper, promoting sustainable growth in the sector requires a mix of approaches. It should recognise that some organisations may want to set up social enterprise or community firms, whilst others may want to establish collaborative ventures with new partners. In other instances some organisations may want help to expand or diversify their service delivery, whilst others may simply want to be able to target existing clients more effectively. In other instances peer support may be required to develop new skills, whilst for others incubation support may be desired.
49. Set out under the sub-headers below are some ways in which VCS growth could be facilitated with Council support.

Safeguarding unique service provision

50. There are many VCS providers operating effectively at a one or two person level and delivering excellent services. The uniqueness of this type of provision needs to be recognised, nurtured and not pressured into taking on greater responsibility at the risk of losing their funding, ability to meet needs or their unique identity. Structures put in place for VCOs of this kind will ensure that this type of provision can be sustained within the borough, for the benefit of our local communities.

Promoting collaboration

51. VCOs should be given every opportunity to work alongside others to deliver services, share skill and expertise and maximise economies of scale. This proposal has already identified contracting arrangements that could support this kind of activity, which it is proposed, could contribute usefully to the growth of the VCS.

Incubation and peer support

52. The objective here is to develop organisations that would, in effect provide buddies for other VCOs that needed developmental support specifically targeted to their need. The type of support provided could range from provision of premises and use of office facilities to more bespoke support such as developing business plans or writing funding applications. The programme would work on the basis of an agreement or a more detailed plan. The important point to make here is that the sector needs to be supported and encouraged to perform this role by itself and for itself.

Stimulating the VCS market place

53. The Council could play a key role in the development of the 'market place' for VCS services. This would be a crucial pathway through which organisations could develop capacity to sell services or skills and develop their income generating capacity (licensing of products, consultancy branded services, online subscriber services).

54. The VCS 'market' place could also have more practical uses too, as an annual community fair through which funding agencies could 'shop' for services and by which VCS organisation could be encouraged to showcase their services.

Joint ventures and community firms

55. Building upon statutory powers Councils have to trade (LG Act 2003), the Council explore opportunities for joint ventures with VCS organisations. As an example, the Council may be able to use its influence to facilitate the development of three party 'public interest partnerships' which would also include the VCS and private sectors and through which profits would be invested back into the development of the local community.
56. Another idea could be the development of a community firm, which would be based in a neighbourhood area and with a management board comprised of local partners and resident representatives. The firm would have its own devolved budget and VCOs providing services in that area would also be part of that firm. Its aim would be to bring decision making closer to local people and enable them to have greater say over how services are delivered in their area.

Policy and research

57. The capacity of VCOs to effectively engage in research, policy and strategic development represents one of the greatest developmental opportunities across the VCS in Camden. Indeed it is worth noting that it is only with relatively larger organisations or to some extent those providing infrastructure support that this kind of capacity is apparent or can be budgeted for.
58. In any future vision for the sector, every organisation should be able to understand the link between research, policy, strategy, budgeting and service delivery. The proposal here therefore is to provide greater support to the sector to help it understand these tools and their value. At the heart of this would be a training and support programme for VCOs and small grants scheme to assist them in carrying out discrete pieces of social research in their areas through focus groups, surveys or evaluations.
59. Encouragement could also be given to the development of community based policy and research groups or 'community sounding boards', through which VCSO could be supported to 'culture' policy issues before bringing them into the public arena.

Developing the vision in partnership

60. It is proposed that the process for overseeing the development of the long-term vision for the VCS should be overseen by a VCS 'futures board'. As

well as representation from VCOs and the Council, representation on the 'futures board' could include:

- Other statutory bodies funding the VCS such as the Primary Care Trust
- Non-Government Public Bodies such as the Big Lottery
- The Social Enterprise Unit
- Camden Chamber of Commerce

61. The group's role will be to talk through and explore the wide range of options available and try to fashion these into workable models for the future.

Conclusion

62. The ten-year vision described in this paper is predicated on the assumption that the Council also shares it and is willing to take a share of the responsibility for its realisation. The objective here is to some extent test the Council's own ambition for the sector. Fundamentally, however, it recognises that the VCS must have a vision for itself, which we need to own.

63. There are a number of ideas contained in this paper and that is how they should be seen - as ideas. Nothing here is set in stone. However, the VCS would like to have an open dialogue with the Council about the proposals here. As part of such a dialogue, it could be we find common ground on some of the ideas in this paper, whilst others may be deemed unsuitable. Fundamentally, however, it is only through a qualitative dialogue that agreement on what the future should look like can be reached.