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| <b>Cabinet</b><br><br>5 April 2016                           | <br><b>TOWER HAMLETS</b> |
| <b>Report of:</b> Zena Cooke, Corporate Director – Resources | <b>Classification:</b><br>Unrestricted  |
| <b>Voluntary and Community Sector Strategy</b>               |   |

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| <b>Lead Member</b>            | <b>Councillor Rachael Saunders, Deputy Mayor responsible for the Third Sector</b>  |
| <b>Originating Officer(s)</b> | Kevin Kewin, Interim Service Head – Corporate Strategy and Equality<br><br>Emily Fieran-Reed, Service Manager – Community Cohesion, Engagement and Commissioning |
| <b>Wards affected</b>         | All wards  |
| <b>Key Decision?</b>          | Yes  |
| <b>Community Plan Theme</b>   | <b>A Fair and Prosperous Community</b>   |

### **Executive Summary**

In March 2015, a Best Value Strategy and Action Plan was agreed with Commissioners on a number of areas and which included grants. This included an action to refresh the Voluntary and Community (VCS) Sector Strategy by March 2016.

The current Voluntary and Community Sector Strategy was agreed by Cabinet and the Tower Hamlets Partnership in January 2014. The strategy was focused on developing a thriving voluntary and community sector (VCS) within the borough and to ascertain how the council and its partners could best support it.

The council has not thoroughly reviewed its relationship with and funding of the sector for some time and has pursued a traditional approach to grant funding and commissioning services. This strategy recognises that the current situation needs a comprehensive review to strengthen and redefine the council's relationship with the sector and to ensure that it remains ideally placed to support communities in a way which is flexible, responsive and understanding of complex local needs whilst demonstrating value for money.

### **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Agree the Strategy and action plan for delivery from May 2016

## **1. REASONS FOR THE DECISIONS**

- 1.1 In March 2015, a Best Value Strategy and Action Plan was agreed with Commissioners on a number of areas and which included grants. This included an action to refresh the Voluntary and Community (VCS) Sector Strategy by March 2016.

## **2. ALTERNATIVE OPTIONS**

- 2.1 To have no strategy in place and continue with existing arrangements for funding and supporting the voluntary and community sector in the borough. This is not recommended. The proposed strategy and action plan supports the Best Value duty and aims to secure improvement in service delivery, informed by consideration of economy, efficiency and effectiveness including co-production and sustainability and will provide the strategic framework for voluntary organisations and community groups to work with the council to meet the needs of local residents. The action plan is outlined in Appendix F.

## **3. DETAILS OF REPORT**

- 3.1 Tower Hamlets is host to a diverse VCS, which has played a significant role in shaping the borough and makes a valuable and unique contribution to the lives of local people by providing services to those in need and engaging and empowering local communities. The VCS uses a wide range of funding sources to carry out this work, including but not primarily, the public sector. Tower Hamlets Council commissions the Tower Hamlets Council for Voluntary Sector (THCVS) to carry out a range of work with the sector.
- 3.2 The Tower Hamlets Voluntary and Community Sector Strategy 2016-2019 is a cross-cutting strategy that sets out how the council will work with the VCS in future. It aims to respect and support the sector through establishing a new approach to the roles of the council, THCVS and wider VCS in meeting key council and Community Plan priorities through a clear demarcation in responsibilities.
- 3.3 The strategy has been developed through open dialogue with the VCS to determine who is best placed to address the outcomes sought by the council. It focuses on how the council and VCS can work together to address local and national factors and adapt to the changing environment within which they operate, to enable a collaborative approach to delivering outcomes and responding to the needs of local residents. To achieve this, the strategy aims to:
- Create resilient communities that are self-supporting. This will reduce demand on public services and improve the quality of life for local residents;
  - Use the capacity and skills of the VCS and the council to co-produce services that meet community needs;
  - Provide the conditions for infrastructure support; and

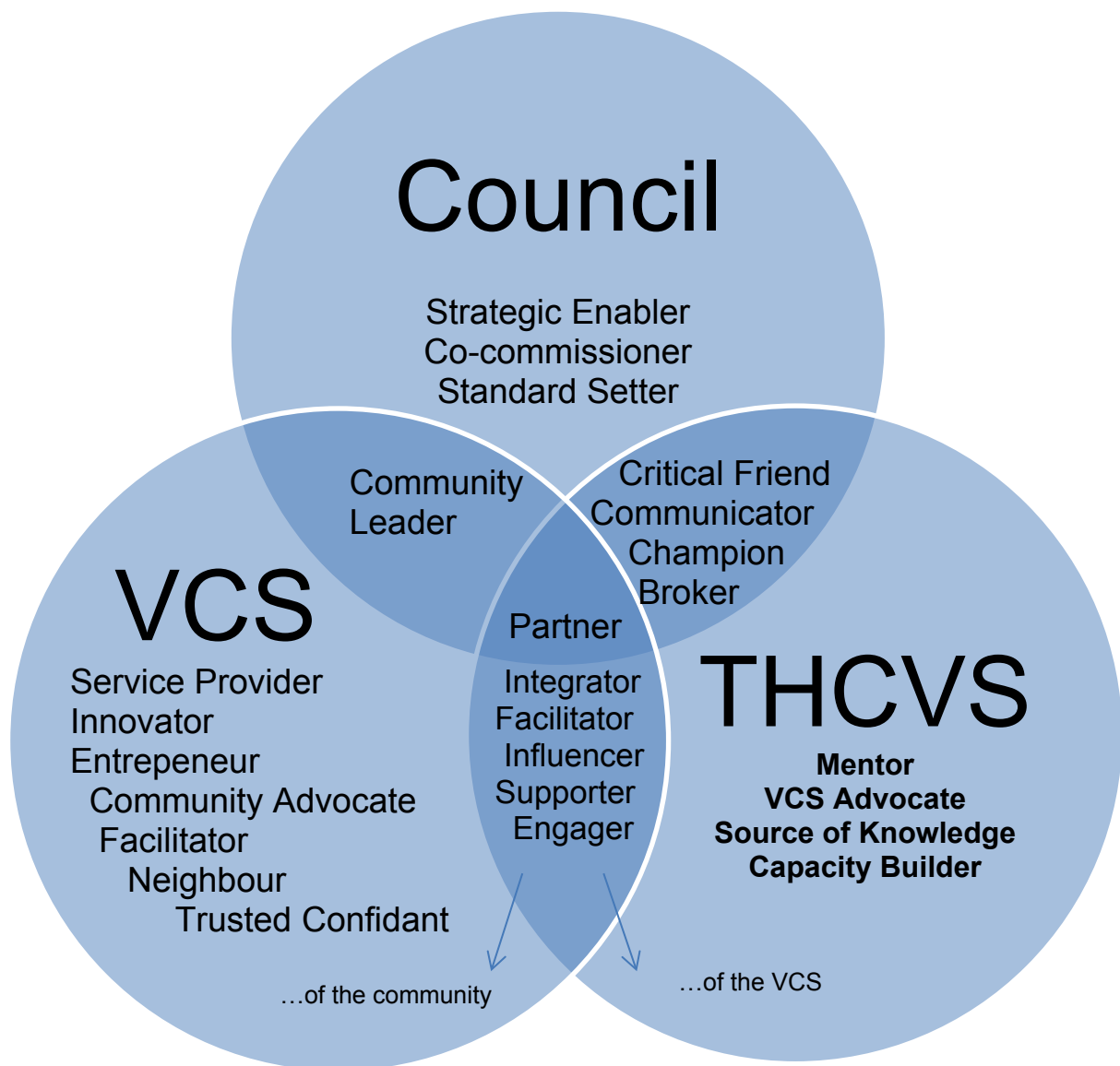
- Develop an outcome and impact focussed approach to financial (and other) support to the sector.
- 3.4 Led by the Third Sector Team and with the support of an implementation group involving relevant services, an action plan (Appendix F) has been developed to set out the actions required to ensure the delivery of the VCS strategy objectives. This has enabled the strategy to adopt a council-wide perspective on activities involving the sector, whilst meeting key Community Plan objectives and taking into consideration the concerns affecting the sector going forward.

#### Vision

- 3.5 The strategy sets out opportunities to harness local knowledge and partnership work to better deliver services and achieve its vision of **“an independent and sustainable voluntary and community sector, working closely with the council and partners to meet the needs of local people wherever they live in the borough”**.

#### Objectives

- 3.6 The strategy takes into consideration national and local drivers, and builds on feedback from stakeholders. The four strategic priorities of the strategy are:
1. Promoting co-production and sustainability
  2. Maximising the value from resources
  3. Creating a step change in volunteering
  4. Bringing together businesses and the voluntary and community sector
- 3.7 Alongside the strategic priorities identified above, the following outlines the potential roles and responsibilities of the council, VCS and THCVS and has been developed in dialogue with the sector about how to deliver the vision of the strategy.



Consultation Undertaken

- 3.8 A programme of consultation has been carried out with key stakeholders including voluntary and community sector organisations in order to better understand how the council can develop a more strategic relationship with the VCS to help deliver Community Plan priorities. Workshops were hosted with the VCS, businesses, elected Members and council officers who engage with the sector, and focused on the different elements of the strategy.
- 3.9 These workshops were just one of the mechanisms used to consult with the sector and local people on the development of the strategy. Discussions also took place with the Tower Hamlets Council for Voluntary Service (THCVS) and Third Sector Advisory Board (TSAB). An online survey was also conducted to allow organisations who could not attend the VCS workshop and the wider borough, including residents to contribute their thoughts and ideas and help shape the revised strategy. The findings of the consultation run by

the council focused on specific areas relating to co-production and sustainability, resources, roles and responsibilities, volunteering and VCS and business.

Points for Consideration following Consultation

3.10 There has been extensive consultation with stakeholders on the strategy (see above). This has been formulated into a consultation report and forms an appendix to the strategy. The strategy and action plan have been adapted to reflect the consultation responses. In particular, the criteria for measuring community benefit in relation to council buildings has been enhanced and the criteria for retaining funding by way of grant rather than commissioning has also been developed. These will be further developed through the action plan contained in the appendix. The action plan has also been co-produced with the sector and key stakeholders within the council. All actions contained within the plan are agreed with the responsible leads and where additional resource requirements are highlighted in the plan there is a commitment that these will be resourced by the council, by reallocating existing resources.

3.11 The strategy timetable was as follows:

| Activity  | Date                  |
|---|-----------------------|
| Phase 1: Review of VCS Strategy action plan 2015/16 – focusing on outputs and outcomes and key challenges<br><br>Mayor/Lead Member discussions  | July – Aug 2015       |
| Phase 2: Understanding role and potential of VCS organisations - analysis, benchmarking, research<br><br><ul style="list-style-type: none"> <li>• Internal consultation with council officers</li> <li>• Departmental Management Team (DMT) discussions</li> <li>• Discussions with Asset Management team</li> <li>• Consultation sessions with Third Sector Advisory Board (TSAB) and VCS</li> <li>• Online survey</li> <li>• Coordination of information about council funding streams</li> </ul> | Aug – Oct 2015        |
| Phase 3: Consultation and development of draft strategy with key partners, Commissioners, Members and TSAB.<br><br><ul style="list-style-type: none"> <li>• All Member seminar</li> <li>• DMTs/Commissioners</li> <li>• Community Plan Delivery Groups (CPDGs)</li> <li>• Corporate Management Team (CMT)</li> </ul>  | Sept – early Jan 2016 |
| Phase 4: Undertake public consultation and engagement on draft outline strategy and finalise strategy response to this.<br><br><ul style="list-style-type: none"> <li>• Public consultation</li> <li>• Third Sector consultation</li> <li>- Online survey</li> <li>- focus groups/workshops</li> </ul>  | Jan – mid Feb 2016    |

|   |                     |
|---|---------------------|
| - Equality Analysis   |                     |
| Phase 5: Finalise strategy and undergo sign-off procedure<br>- TSAB<br>- CMT<br>- Cabinet | Late Feb – Apr 2016 |
| Phase 6: Launch and communication of VCS Strategy   | May 2016            |

- 3.12 The CMT lead for the development of this strategy and action plan is the Corporate Director of Resources. The development of the strategy has been undertaken by officers in the Third Sector Team supported by Corporate Strategy and Equality. Voluntary and community sector stakeholders have been involved through the Third Sector Advisory Board and the Tower Hamlets Council for Voluntary Services (THCVS).

*Draft Communications Plan – VCS Strategy*

- 3.13 This is currently being developed and is yet to be finalised and agreed, however the initial thinking is that to support the launch of the strategy in May 2016, it is suggested that:
- Launch event with the sector
  - Branding developed
  - Marketing materials to create a sense of occasion at the launch event;
  - The final report should be designed to reflect the branding;
  - Media informed about the launch event;

**Key messages for the launch:**

- Support for the VCS and partnership working underpins the strategy, which sets out new ways to strengthen the sector in Tower Hamlets;
- The council is committed to helping small and new organisations to grow and develop;
- Practical help to the VCS will include training for the organisations, ensuring that governance levels are strong and that skills are in place to access resources that are available in the borough and from other sources;
- The council will support the VCS to move away from applications for grant funding to applications for commissioning – which is more sustainable for the VCS and residents who depend on services;
- There is a strong community ethos in Tower Hamlets – the VCS strategy supports new ways for people to volunteer or get involved with their community.

**4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 Approximately £300,000 will be made available from existing resources within the Third Sector Team to deliver the VCS Action plan over the next 3 years.

## 5. LEGAL COMMENTS

- 5.1 The Tower Hamlets Community Plan sets out the vision and priorities for the borough which have been set by the Council and its partners. Having regard to the Community Plan, further development of the VCS strategy may be supportable as being necessary or desirable to deliver a variety of the Community Plan objectives.
- 5.2 The Council has a range of specific statutory powers and duties which provide for partnership and community arrangements. In addition Section 111 of the Local Government Act 1972 permits the Council to do things (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) calculated to facilitate, or conducive or incidental to, the discharge of any of its functions. Section 1 of the Localism Act 2011 gives the Council general power of competence to do anything that individuals generally may do, subject to specified restrictions and limitations imposed by other statutes. It may be considered that development of a strategy to support the VCS is something an individual may do and thus also something that the Council may do. The development and delivery of a Voluntary and Community Sector Strategy is within the powers of the Council.
- 5.3 In further developing the strategy, the Council must also comply with its obligation as a best value authority under section 3 of the Local Government Act 1999 to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. This is addressed further in paragraph 7 below.
- 5.4 The development of the Strategy includes consultation with the voluntary sector and the public, the latter being over a six week period. The Council must comply with the common law principles set out in *R v Brent London Borough Council, ex p Gunning*, (1985) and recently approved by the Supreme Court in *R(Mosely) v LB Haringey 2014*. Those are ‘*First, that consultation must be at a time when proposals are still at a formative stage. Second, that the proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response. Third that adequate time must be given for consideration and response and, finally, fourth, that the product of consultation must be conscientiously taken into account in finalising any proposals.*’
- 5.5 It is necessary to comply with the common law requirement to consider any feedback before making a decision. It is noted that there has been consultation undertaken (see paragraphs 3.8 and 3.9). Further that consultation started taking place in Phase 2 and continued through to Phase 4 (see the table in 3.11). Appendix G contains that Consultation Response Report and which sets out the Consultation Response Analysis. This document must be read in full before any decision is taken and must be conscientiously taken into account when making any decision.

- 5.6 When considering the VCS strategy the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not. Equality analysis will be required as identified in paragraph 6.1 below.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The contribution of organisations to delivering One Tower Hamlets is explicitly recognised in the approach taken to refresh the current Voluntary and Sector Strategy and the strategy itself. The strategy intends to strengthen and redefine the council's relationship with the VCS and support communities in a way that is flexible, responsive and meets local needs whilst demonstrating value for money. This includes providing support to the sector in a range of practical ways, as well as through grants and commissioning.
- 6.2 A full Equalities Analysis (EA) has been undertaken on the strategy. Whilst the EA does not highlight an adverse effect on any one particular group, anecdotal evidence would suggest that the recent and ongoing reductions in grants and other funding to the voluntary and community sector have impacted more adversely on voluntary groups that support certain sectors of the population – women's groups, Somali groups and LGBT groups. The action plan will ensure that support will be provided across all sectors of the population and this will be monitored throughout the lifetime of the strategy.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The refresh of the VCS Strategy supports the Best Value duty through its approach to develop a more strategic relationship with the VCS to help address the outcomes sought by the council. The strategy sets out opportunities to harness local knowledge and partnership work to better deliver services informed by consideration of economy, efficiency and effectiveness including co-production and sustainability and will provide the framework for voluntary organisations and community groups to work with the council to meet the needs of local residents.
- 7.2 The strategy's proposal to move to a collaborative commissioning model with the sector will enable the council to redesign services through joining up resources with partners to focus on improving outcomes for local people in the most efficient and effective way. It will also help to eliminate duplication of resources and effort and develop stronger and more varied partnerships to result in improved and more coherent services.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 There are no direct environmental implications arising from the strategy and its action plan.



**9. RISK MANAGEMENT IMPLICATIONS**

9.1 There are no direct risk management implications arising from the strategy and its action plan.

**10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

10.1 There are no direct implications of crime and disorder as a result of the strategy and its action plan.

**11. SAFEGUARDING IMPLICATIONS**

11.1 There are no direct implications on safeguarding as a result of the strategy and its action plan

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**Linked Reports, Appendices and Background Documents**

**Linked Report**

- NONE

**Appendices**

- Draft Voluntary and Community Sector Strategy (contains Appendices A – E)
- Action Plan (Appendix F – to the Strategy)
- Consultation Report (Appendix G – to the Strategy)

**Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- None

**Officer contact details for documents: N/A**