

5 July 2010		ITEM	6
Corporate Overview and Scrutiny Committee			
Voluntary Sector Grants Review and Thriving Third Sector Strategy			
Report of: Natalie Warren, Community Development Manager			
Wards and communities affected:		Key Decision:	
All		N/A	
Accountable Head of Service: Simon Black, Head of Communities, Culture and Libraries			
Accountable Director: Lorna Payne, Corporate Director of Community Well-being			
This report is Public			
Purpose of Report: This report informs members of how the current review into Voluntary Sector Grants is progressing. Overview and Scrutiny are requested to join a task and finish group in support of the review. The report also explains the need for a Thriving Third Sector Strategy. This will help increase understanding in Thurrock of the need to support a strong voluntary and community sector as a key resource to meeting local needs.			

Comment [s]: PLEASE CLICK THIS BOX ONCE and enter the date of the meeting (in font 16, not capitals)

Comment [s]: Please leave this for completion by Democratic Services

Comment [s]: PLEASE CLICK THIS BOX ONCE and enter the name of the Committee you are reporting to (in font 16, not capitals)

Comment [a j]: Please enter the name and job title of the person who will be presenting the report

Comment [s]: Please enter details of any Wards and Communities affected by the report. If this section is not applicable, you should enter "none".

Comment [s]: Yes/No/Not Applicable – a 'Key Decision' is generally one affecting more than 2 wards or above £50,000 expenditure – see Guideline 2.7

Comment [sj]: Please state the Head of Service's name and job title

Comment [sj]: Please state Director's name and job title

Comment [sj]: State whether your report is Public or Exempt. If Exempt (i.e. not to be given to the public or discussed in public), you should provide the reason for the this. For information, this is set out in the Constitution under Access Rule 12 – see Guideline 2.8

Comment [sj]: Briefly set out the purpose of your report

Comment [sj]: Please provide a summary of the key points in your report

EXECUTIVE SUMMARY

Improving relationships with the Voluntary, Community and Faith Sector has been the focus of a work plan since January 2009. An improvement action plan was agreed following the results of an Ipsos Mori survey which measured the extent to which Local Government helped to create the environment for a 'Thriving Third Sector'. The results of the survey identified that Thurrock had the lowest score in the country of 8.8%. This compares with the national average of 16.3% of locally registered charities or similar not for profit organisations thinking that Local Government in their area does support the environment for a Thriving Third Sector.

The current economic climate, alongside the aspirations of the new coalition government to think differently about how public services should be delivered in the future, raises the question of the potential role of the voluntary sector as a larger provider of services. More than ever, a strong relationship with the voluntary sector, based on a joint understanding of strengths and differences, is an essential prerequisite to changing how the Council might deliver services in the future.

Recent cabinet decisions have resulted in a review into the voluntary sector grants programme managed through Community Development. The review is intended to modernise the Council's funding arrangements, ensuring transparent decision-making linked to clear outcomes that can be performance managed. The review will also stress the synergy between the grants programme and the total funding

provided to the voluntary - or Third Sector – in Thurrock, currently estimated at £5million.

As well as providing recommendations requesting how the voluntary sector grants programme may be modernised, the process used will also support a better understanding of our relationship with the Third Sector. The consultation process used in the review – alongside a number of other engagement mechanisms – is helping to shape a Thriving Third Sector Strategy. The strategy will set out Thurrock’s commitment to supporting a strong voluntary and community sector, and how the Council and partners will support a strong sector. The strategy reflects and builds on the joint values and commitments set out in Thurrock’s Compact.

1. RECOMMENDATIONS:

- 1.1 **To note progress regarding the review of Voluntary Sector Grants and the intention to report to Cabinet in October 2010 rather than September 2010**
- 1.2 **To secure the involvement of members in the design of the Thriving Third Sector Strategy, and to invite two members of Overview and Scrutiny to join the Task Group shaping the recommendations into the Voluntary Sector Grants Programme.**
- 1.3 **To provide comment on the draft strategy to date prior to public consultation late summer 2010.**

2. INTRODUCTION AND BACKGROUND:

- 2.1 The Ipsos Mori survey mentioned above provided a local impetus to better understand and respond to a poor relationship between the voluntary sector and public sector organisations working in Thurrock. Thurrock’s Compact – a framework for working with the sector – recognises a Voluntary, Community and Faith sector working to support communities across the borough. Nationally the term ‘Third Sector’ has been interchangeable with voluntary sector. The coalition government has started to use the term civil society.
- 2.2 Thurrock has approximately 500 identified voluntary organisations working in the borough. These organisations often work with communities of interest, many of which are disadvantaged and whose voices or needs are seldom heard. The term ‘voluntary’ refers to the fact that people choose to come together to meet a local need. They are not expected to through statute, or through a desire to make an individual profit. In doing so, some remain unregistered informal groups, like most of Thurrock’s Community Forums. Many become registered Charities or adopt another appropriate legal status. Many involve volunteers, and some employ staff to help deliver services. All are governed by their own management committees, and strive to involve the users of their organisations in setting the groups priorities and associated work.
- 2.3 A lack of understanding about the scope and diversity of the voluntary, community and faith sector working in Thurrock, and its potential value to the

Comment [s]: The recommendations should be set out in bold in the form of the decision that the decision-maker is being asked to make - See para. 5.2 of the report writing guidelines

Comment [s]: You should briefly explain why the report is on the agenda - See para. 5.3 and 5.4 of the report writing guidelines.

borough, are likely to be behind the reason why the voluntary sector does not feel it works within a supportive environment in Thurrock. Nationally, research into the Ipsos Mori findings have found that the strongest driver for good performance is consistent engagement and dialogue with the voluntary sector.

- 2.4 Locally, Thurrock Council has worked with the voluntary, community and faith sector through the Council for Voluntary Service (CVS) and the Community Involvement Board (CIB) of the LSP to get a better understanding into what makes a Thriving Third Sector, and to work towards a corporate approach to meeting these needs across LSP partners.

3. **ISSUES:**

Review of Voluntary Sector Grants Programme

- 3.1 Recent cabinet decisions have resulted in a review of the Voluntary Sector Grants Programme. The grants programme currently funds 11 organisations above £10,000 and 6 small grants under £2000. The total amount awarded is £624,833. The programme has traditionally made funding awards to voluntary sector organisations based on applications in support of the Council's priorities. The review is exploring
- The process used to allocate grants against agreed outcomes
 - The process for ensuring that agreed outcomes are achieved whilst avoiding duplication
 - Ensuring that strong organisations are supported to help meet outcomes
 - The performance management arrangements to be used to ensure that outcomes are met and communicated.
- 3.2 A workshop has been held with the voluntary sector, and a workshop will be held with Council officers in July to help agree the aspirations for the future process regarding the voluntary grants programme. The aim is to agree a small joint task and finish group to meet over the summer to ensure that the report and recommendations made to Cabinet are owned by both the Council and the voluntary sector. The Leader of the Council has agreed to oversee the work of the task group, alongside Graham Carey, Chair of the Community Involvement Board of the LSP. Overview and Scrutiny is invited to nominate two members to also join the task and finish group to support member involvement.
- 3.3 As well as supporting the review of the voluntary sector grants programme, the task group will also strive to achieve more synergy with the total amount of funding provided to the voluntary sector through grants, commissioned services and funding agreements. Analysis of pan Council commitments has identified a total of approximately £5million funding to the voluntary, community and faith sector. The organisations in receipt of funds include local and national organisations. Currently there is little join up between funding

Comment [s]: Other headings may be appropriate. The report should outline the reasoning that leads to its recommendations and **must** include:

1. a brief summary of options considered;
2. consultation outcomes
3. a risk assessment.
4. Whether the responsible cabinet members have been consulted/contributed to the report (NB professional and political advice must be clearly distinguished)

- See para.5.5 of the report writing guidelines.

streams. This, over a long period of time, has contributed to a lack of understanding of the benefit of the third sector to life in Thurrock.

- 3.4 In order to accommodate the aspiration for a joint task and finish group to agree the recommendations it is likely that the report to Cabinet will be delayed until October 2010.
- 3.5 However for this to address the wider issue of a joined up approach to how services are commissioned, as well as how we manage our relationship with the voluntary sector, a strategy is needed to set out a road map for the future. A strategy will provide a clear rationale for why this is important. The attached draft strategy is a working document. The strategy is a reflection of a great deal of work learning gained from the Ipsos Mori survey results. Thurrock received the lowest score in the country against this survey.

A Thriving Third Sector Strategy

- 3.6 There are a number of reasons why a Thriving Third Sector strategy is needed. Although Thurrock has a Compact which sets out a framework for working with the voluntary, community and faith sector in Thurrock, too often our relationship and understanding of each others role in meeting local needs is lost. Some examples of a lack of understanding are demonstrated by:
- Confusion over the scope and diversity of the sector from small community led initiatives through to national charities
 - A lack of understanding about the difference between volunteers and voluntary sector organisations – who use volunteers but may employ staff and deliver services
 - Limited understanding of the governance arrangements within voluntary sector organisations and the appropriate means of influence
 - Limited understanding of the available resources within organisations to respond to expectations set by others
 - Little understanding of the different ways in which voluntary, community and faith sector organisations already contribute to Council and partner priorities, and their ability to help identify need.
- 3.7 Local Government has a key interest in ensuring that its areas benefit from a strong, vibrant and independent voluntary and community sector. In summary, the Third Sector is increasingly recognised as a key resource to help ensure:
- Access to strong established links with groups of residents that public sector officers often find hard to engage with. These could be communities of interest (disabilities, parents of children with a specific need) or geographic communities.
 - Social capital is built through bringing people together and encouraging active citizenship and volunteering. Ultimately, social capital reduces the need for state intervention as communities are better placed to do respond to needs themselves.

- The third sector is user led and most likely to understand the root of a problem and the best way to address it - resulting in more effective services
- Voluntary sector organisations may be interested in developing and delivering public services – providing a market for local authorities to commission services to.

3.8 The Ipsos Mori survey results described above confirmed the need for a course of targeted action to help improve relationships between the voluntary, community and faith sector and public services working in Thurrock. This resulted in:

- Research by Thurrock CVS into the support and development needs of the voluntary sector in Thurrock – this identified a need for better dialogue between sectors
- A number of engagement meetings with the voluntary sector to scope concerns around commissioning so that local organisations can better share the intelligence they hold around local needs with service managers.
- A cross sector Partnership Improvement Programme facilitated by IDeA to help secure a better understanding of the value of the third sector, and the potential benefits of a better relationship for Thurrock’s communities. This has included Portfolio holder involvement.
- National Centre for Voluntary Organisations support for promoting the Compact, and for joint procurement training to ensure a level playing field between service commissioning opportunities and locally based voluntary sector organisations.

3.9 The following areas are emerging as key areas for consideration within the Thriving Third Sector Strategy:

- Corporate and service relationships – A need to better understand the potential of good relationships for the benefit of Thurrock communities
- Funding - The need for a funding framework to support better use of resources in Thurrock, including commissioning. How to capture non-financial support.
- Capacity Building – How can the Council and partners better support the ability of local organisations play a positive role in meeting need – from sharing data through to the delivery of services.
- Engagement and communication – to support priority setting and policy development.

3.10 Following the task group meetings summer 2010, the findings will be added to the draft Thriving Third Sector Strategy prior to a public consultation period. The final strategy, and Voluntary Sector Grants review findings and recommendations will be taken to Cabinet autumn 2010.

Third sector organisations play a vital role in community engagement and meeting local need. This is especially so with respect to underrepresented groups in Thurrock, but the sector also has a positive impact across sports, heritage, arts and protects the environment. The Coalition Government have indicated that they intend to enhance the role of the third sector by devolving power. Elected member input will be needed to shape the aims and objectives of any future Thriving Third Sector strategy to ensure that Thurrock is best prepared to make the most of new opportunities and ways of working.

4. **IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT**

4.1 This report supports the Council’s vision and particularly focuses on the fifth priority which is to build pride, respect and responsibility in Thurrock’s communities and its residents.

5. **IMPLICATIONS**

5.1 **Financial**

Implications verified by: **Funké Nana**
 Telephone and email: **01375 652 451**
fnana@thurrock.gov.uk

There are no direct financial implications arising from this report. A funding strategy will be developed as part of the recommendations presented to Cabinet in the future.

5.2 **Legal**

Implications verified by: **Jamie Hollis**
 Telephone and email: **01375 652926**
jhollis@thurrock.gov.uk

The development of an effective third sector strategy is important as the Council needs to ensure that the funds they commit to the third sector support its strategic objectives, are allocated equitably and consistently, deliver services to a clear standard, and achieve value for money. Having a robust and modern third sector grants programme will assist the Council in complying with its legal duties and the vision of its Compact with the voluntary sector

5.3 **Diversity and Equality**

Implications verified by: **Samson DeAlyn**
 Telephone and email: **01375 652472**
SDeAlyn@thurrock.gov.uk

Comment [aj]: Please refer to Section 5.7 of the Report Writing Guidelines

Comment [sj]: This section should always be completed – if they are dealt with fully in another part of the report, they also need a brief cross reference here. The names and job titles of the officers providing the implications should be provided in full – see Guideline 6.1 and please note Democratic Services Deadlines and ensure that officers providing implications are given 5 clear working days to work on the report. Authors can write implications but they must be signed off by the appropriate officers

Comment [sj]: See Guideline 6.2

Comment [sj]: See Guideline 6.3

Comment [sj]: See Guideline 6.4

Third sector organisations play a vital role in community engagement and meeting local need. This is especially so with respect to underrepresented groups in Thurrock, but the sector also has a positive impact across sports, heritage, arts and environment. Any failure to engage with the sector would result in limited progress in meeting our statutory equality duties with respects to building a community that respects diversity and tackles inequalities.

BACKGROUND PAPERS USED IN PREPARING THIS REPORT:

- Thurrock's Compact
- CVS Research into Infrastructure Needs

APPENDICES TO THIS REPORT:

- Draft Thriving Third Sector Strategy

Report Author Contact Details:

Name: Natalie Warren
Telephone: 01375 413954
E-mail: nwarren@thurrock.gov.uk

Comment [sj]: See Guideline 8. If any Papers are to be placed in the Members room that relate to this report, you should also list them here

Comment [sj]: List the Appendices referred to in the Report

Comment [sj]: Insert the full contact details of the author of the report