

## Grants Committee

### Leadership in The Third Sector: The role of London Boroughs and London Councils

Item 7

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<b>Date:</b>	23 November 2016		
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#### Summary

At its meeting of 9 March 2016 members of the Grants Committee agreed that officers develop a proposal to work with City Bridge Trust on the implementation of the review into infrastructure support in London (undertaken by London Funders), *The Way Ahead - Civil Society at the Heart of London*.

City Bridge Trust have sought the involvement of London Councils, on behalf of the boroughs, to work in strategic partnership in the implementation of the report's findings including providing leadership in the third sector and in influencing the spend of a central pool of funding of independent funders. Because London Councils resources are attached to the administration of each priority, this role would require additional provision within the Grants Budget.

An update was provided to the Grants Committee in July 2016. Members agreed that officers make provision in the 2017-18 budget proposals to be considered by the November meeting of the Grants Committee for resources to cover London Councils officer time in this role. It was also agreed that officers provide a work plan to accompany the proposal.

#### Recommendations

Members are asked to,

1. Note that, following the decision by members of the Grants Committee in July 2016, officers have included provision in the 2017-18 budget proposals to be considered by the November meeting of the Grants

Committee for resources to cover London Councils officer time in this role.

2. Agree the work plan in **Appendix One** which outlines the key objectives, activities and outcomes of the work with City Bridge Trust.
3. Discuss the governance arrangements for this piece of work going forwards in relation to the role of the Grants Committee and whether members wish to make a recommendation to Leaders' Committee to widen the role of the Grants Committee as reflected in its Terms of Reference to accommodate this wider role in providing leadership in the third sector.

## **1. Background**

- 1.1 At its meeting of 9 March 2016 members of the Grants Committee agreed that officers develop a proposal to work with City Bridge Trust on the implementation of the review into infrastructure support to voluntary and community organisations in London (being undertaken by London Funders) and that this be reported to the next meeting of the Grants Committee in July 2016.
- 1.2 This position follows views raised in the London Councils Grants Review (July 2015-March 2016) that there should be a Grants Programme going forwards beyond 2017 but that this should not include a priority solely focused on capacity building in the third sector. The Grants Review concluded that there was a widely held view that there was merit in pan-London support to build the third sector and a view that London Councils could continue to play an important role through its strategic leadership.
- 1.3 At its meeting of 13 July 2016, Grants Committee received a presentation from David Farnsworth from City Bridge Trust. The presentation outlined the review that City Bridge had commissioned into the future of infrastructure in London and invited members to consider a role in working with City Bridge Trust in taking this forward.
- 1.4 Members agreed that officers make provision in the 2017-18 budget proposals to be considered by the November meeting of the Grants Committee for resources to cover London Councils officer time in this role. It was also agreed that officers provide a work plan to accompany the proposal.

## **2. The Way Ahead**

- 2.1 In 2015 City Bridge Trust commissioned London Funders/LVSC/ GLV to co-produce a report to produce a report on the future of support to civil society (the third sector) in London. The final report, *The Way Ahead- Civil Society at the Heart of London*, was published in April 2016. Members were provided with the Executive Summary at their meeting 13 July 2016.
- 2.2 The report focuses on some key themes,
- the changing role of the state, voluntary and community sector (VCS) and funders of VCS
  - the need to support communities to co-produce shared solutions drawing on the strengths of the community (geographical or otherwise)

- the need to provide strategic leadership and the role of pan-London resourcing (with the potential to bring together sources of funding in a London pool to fund the provision of support to the VCS)
- that the VCS should be supported to create consistent quality services and manage the risks associated with their increased role in delivering outcomes.

2.3 The report outlines a number of conclusions including a model of future third sector support with key principles underpinning it. The key principles focus on pragmatic co-production, building community strength and self-reliance, values for civil society<sup>1</sup> and a theory of change.<sup>2</sup> The model for future third sector support includes the recommendations to have

- A London Hub of support provision working with specialist VCS support provision
- VCS support provision operating a 'triage and connect' function to connect VCS organisations to the right support
- Standardized resources to be customised and used locally
- Sharing of data on needs, policy developments and best practice
- A catalyst to drive improvement in quality and consistency of local support.

2.4 In particular, a role has been outlined for London Councils to

- Support the involvement of VCS in decision making
- Ensure consistent commissioning/ funding of local support.

The report describes a role for London Councils in working alongside the GLA, London Funders and the London Hub to work together to influence how local authority and health commissioners commission VCS support provision so that it aligns with the recommendations from the report. For example, this could be through supporting a piloting of the approach and sharing of results from this process.

2.5 Through discussions with City Bridge Trust and borough officers, officers have discussed further detail about the shape of London Councils' role in supporting consistent commissioning. A role has emerged for London Councils to play a key part in representing borough interests in influencing both the roll-out of the model and the allocation of a central

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<sup>1</sup> Values outlined are transparency, fairness, openness, equality, trust and accountability

<sup>2</sup> The theory of change describes a thriving civil society (that is adaptable, collaborative, sustainable, driven by and empowering communities and with voice) that leads to improved outcomes for Londoners.

pot of funding (c£1.5m plus any additional funding from other funders) for third sector support services. The following section provides some further detail on these developments.

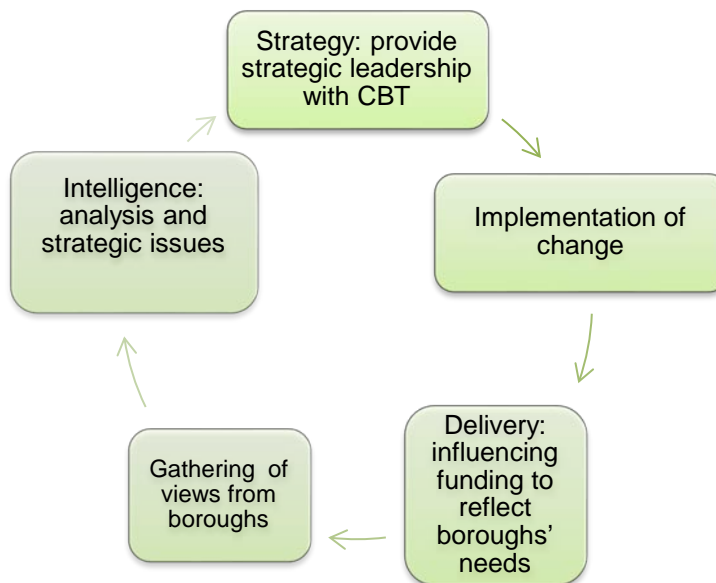
### **3. The role of London Local Authorities and London Councils**

3.1 Given the increasing role of VCS in delivering outcomes for Londoners and the increased role of independent funders in facilitating this, there is potentially a need to ensure that there is sufficient strategic leadership to ensure limited resources are directed in a way that meets the needs of boroughs and local communities.

3.2 London Councils exists to provide key functions to boroughs that would be difficult to undertake individually as 33 boroughs. These are chiefly through efficiency, representation, leadership, sharing good practice and influence. In terms of a potential role in the implementation of recommendations on the future of the third sector, London Councils could, as illustrated in figure 1, facilitate boroughs through;

- Influence regarding the distribution of funding for support services to the third sector, reflecting on local knowledge and strategic issues.
- Providing a voice for London boroughs in the implementation of the findings, allowing boroughs to input in a way that is an efficient use of their resources.
- Providing leadership in the relationship between the boroughs and the third sector, utilising the democratic legitimacy of the 33 boroughs and the policy knowledge gathered through London Councils (using relevant policy themed borough officer networks where appropriate).
- Sharing best practice and support to London boroughs in the implementation of change

**Figure one**



3.3 Key to the role will be representing the boroughs needs to independent funders, helping funders to draw up strategies in response to those needs and supporting the performance management and reporting back to the boroughs. This role could be undertaken through facilitating the relationship between a London pool (City Bridge Trust and the independent funders) and the London boroughs, through a small group of officers/ members. The role could also include membership (on behalf of the boroughs) on a board influencing funding for support services to the third sector, representing the views of boroughs. As the model is adopted across London, the role could also include supporting the sharing of best practice amongst boroughs through events or briefings.

3.4 Proposals brought to the last meeting of Grants Committee, 13 July 2016, were developed together with boroughs City Bridge Trust and London Funders. Officers have undertaken further work following the steer from the Grants Committee and have drafted a work plan with City Bridge Trust, London Funders and the chair of the Borough Grants Officer Network. This has been circulated to borough grants officers for their consideration and amended in line with comments received. The work plan is included in **Appendix One**.

#### **4. Resourcing**

4.1 The cost of one full time equivalent additional officer would be in the region of £75,000 per annum (including overheads and associated delivery costs). Officers have included provision within the report on the proposed 2017-18 budget on this agenda, and a provisional amount

to be used to initiate this piece of work before March 2017, in line with the timetable being developed by City Bridge Trust and London Funders. The amount would sit outside the % threshold for the non-grants expenditure amount in the grants budget because it does not relate to the management and administration of any of the three Grants Programme priorities. The proposal, if agreed would be kept in review, with a review at the end of the first 12 months, with updates provided to Grants Committee.

## **5. Governance**

5.1 The more general responsibility for considering the relationships between London's local government and the third sector, while clearly within London Councils' overall remit, does not currently lie within the terms of reference of the Grants Committee. Governance and accountability for this issue currently rests with Leaders' Committee. In view of the proposals set out in this report, members may think that the issue merits more member level oversight than could reasonably be provided by Leaders' Committee and that the terms of reference for the Grants Committee should be widened to include this. This would be a decision for Leaders' Committee, but Grants Committee would need to be willing to take on this role. Members may wish, therefore, to consider the governance arrangements and whether Leaders' Committee should be recommended to widen the terms of reference for the Grants Committee to include strategic oversight of the relationship between London's local government and the third sector.

## **6. Recommendations**

Members are asked to,

1. Note that, following the decision by members of the Grants Committee in July 2016, officers have included provision in the 2017-18 budget proposals to be considered by the November meeting of the Grants Committee for resources to cover London Councils officer time in this role.
2. Agree the work plan in **Appendix One** which outlines the key objectives, activities and outcomes of the work with City Bridge Trust.
3. Discuss the governance arrangements for this piece of work going forwards in relation to the role of the Grants Committee and whether members wish to make a recommendation to Leaders' Committee to widen the role of the Grants Committee as reflected in its Terms of Reference to accommodate this wider role in providing leadership in the third sector.

## **Financial Implications for London Councils**

Provision for London Councils officer time is included in the budget report for 2017/18 included on this agenda.

### **Legal Implications for London Councils**

None at this stage.

### **Equalities Implications for London Councils**

Equalities considerations relating to the move to a new Grants Programme were considered by members at Grants and Leaders' Committee meetings in November/December 2015 and March 2016.

### **Appendices**

Appendix One Proposed Work Plan

### **Background Papers**

Grants Committee, Leadership in The Third Sector: The role of London Boroughs and London Councils. 13 July 2016

Grants Committee, Grants Programme 2017-21, 9 March 2016

Leaders' Committee, Grants Programme 2017-21, 22 March 2016