

Grants Committee

Leadership in the Third Sector: Work Plan Progress

Item 7

Report by: Feria Henry **Job title:** Priority Manager
Date: 22 November 2017
Contact Officer: Feria Henry
Telephone: 0207 934 9529 **Email:** feria.henry@londoncouncils.gov.uk

Summary

At its meeting of 23 November 2016, the Grants Committee agreed that London Councils officers should:

1. Accept City Bridge Trust's invitation to work with them in a strategic partnership and with other major stakeholders to ensure boroughs' intelligence was represented in decisions on independent funding of voluntary sector infrastructure
2. Work with London Funders and other stakeholders on the implementation of the review into infrastructure, *The Way Ahead - Civil Society at the Heart of London*.

This was set out in a detailed work plan which was agreed by the Grants Committee. This report provides an update on what has been achieved to-date.

Recommendations

Members are asked to:

1. **Note** the progress against the agreed work plan, noted in section two of this report and summarised at Appendix 1.
2. **Approve** the principles endorsed by the Grants Committee:

Leadership in the Third Sector Sub-Committee for working with the City Bridge Trust in taking forward the development of infrastructure support for the third sector across London:

- Robust outcomes and impact for residents will be the key focus of infrastructure support (In line with the London Councils Grants Programme)
- New arrangements will a) strengthen infrastructure support across London; b) recognise borough identities and needs; c) be informed by local intelligence-led funding strategies
- London local government representation (members), through membership of appropriate groups, will support and inform the governance of the Cornerstone Fund and the London Hub, providing a strong local voice and democratic legitimacy
- The planning and development of infrastructure support will

ensure that new arrangements are financially sustainable and do not become a potential cost to boroughs in the medium and long-term

- New arrangements, in particular services delivered from the London Hub, will provide greater efficiencies and will complement and add value to local community-based services.
3. **Approve** the nomination of Cllr. Paul McGlone as the Member representative on the London Hub Advisory Group.
 4. **Approve** the nomination of Cllr. Bob Littlewood as the Member representative on The Way Ahead System Change Group

1 Background

1.1 The London Councils Grants Review (July 2015 to March 2016) highlighted that the Grants Programme from 2017 should not include a priority solely focused on capacity building in the third sector. Following the review members of the Grants Committee agreed (on 9 March 2016) that London Councils' officers should work in collaboration with the City Bridge Trust to support its proposals for infrastructure support to voluntary and community sector organisations (civil society) in London.

1.2 *The Way Ahead - Civil Society at the Heart of London*, published in April 2016, focuses on the following 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.

1.3 A role was outlined for London Councils to:

- Support the involvement of VCS in decision making
- Ensure consistent commissioning/funding of local support, working alongside the Greater London Authority (GLA), London Funders and the London Hub.

1.4 Members agreed that officers make provision in the 2017-18 budget proposals for resources to cover London Councils officer time to support this work. The budget and work plan were agreed at the November 2016 meeting of the Grants Committee. The work plan and achievements to-date are summarised in Appendix 1.

1.5 From 2018-19, nominated members (see paragraphs 1.12 and 1.16) will provide a local authority presence and voice to the advisory groups that support the work of *The Way Ahead*. Borough officers will continue to drive the work to develop principles for consistent commissioning and funding of local support.

Progress and achievements

Grants Committee: Leadership in the Third Sector Sub-Committee (the Sub-Committee)

- 1.6 The aim of the leadership in the third sector work is to improve outcomes for London's diverse communities and champion a thriving civil society that plays a pivotal role in the community. In September 2017, members of the Sub-Committee discussed draft principles for working with the City Bridge Trust in taking forward the development of infrastructure support for the third sector across London:
 - 1.6.1 Robust outcomes and impact for residents will be the key focus of infrastructure support (In line with the London Councils Grants Programme)
 - 1.6.2 New arrangements will a) strengthen infrastructure support across London; b) recognise borough identities and needs; c) be informed by local intelligence-led funding strategies
 - 1.6.3 London local government representation (members), through membership of appropriate groups, will support and inform the governance of the Cornerstone Fund and the London Hub, providing a strong local voice and democratic legitimacy
 - 1.6.4 The planning and development of infrastructure support will ensure that new arrangements are financially sustainable and do not become a potential cost to boroughs in the medium and long-term
 - 1.6.5 New arrangements, in particular services delivered from the London Hub, will provide greater efficiencies and will complement and add value to local community-based services.
- 1.7 The following long-term key indicators will be used to measure (and demonstrate) the effectiveness of third sector leadership collaborative working:
 - 1.7.1 Local third sector provision is complemented by new arrangements implemented through *The Way Ahead*
 - 1.7.2 Infrastructure support contributes to the development and maintenance of a strong, responsive, flexible and resilient civil society in London
 - 1.7.3 The development of new arrangements for infrastructure support is influenced by member representation on advisory groups for the London Hub, System Change Group and the Cornerstone Fund through a strong local government voice
 - 1.7.4 High level principles for effective commissioning, developed with and supported by boroughs, enable civil society to better respond to the needs of London's diverse population.

Borough Survey

1.8 Work began in February 2017 and since the last report to this committee in July 2017, achievements include:

1.8.1 A survey of the London boroughs and City of London on borough funding of third sector infrastructure. Of the 28 boroughs that responded, findings show:

- 75 per cent had a Council for Voluntary Service (CVS) in their borough,
- 95 per cent supported their local CVS through either grants or contracts.
- 64 per cent funded third sector infrastructure support organisations other than their local CVS or Volunteer Centre

1.8.2 The final results of this survey were reported to the second meeting of the Leadership in the Third Sector Sub-Committee on 12 September 2017.

1.8.3 The findings from the borough survey have been shared with borough grants officers and key stakeholders. A Member briefing highlighting the survey's key findings has also been published (included at Appendix 2).

Borough Grant Officers

1.9 A sub-group of borough grant officers has met four times. This group contributed to the formation of the borough survey (paragraph 1.8), has contributed to The Way Ahead draft Change Plan and has been kept abreast of developments on the proposed London Hub. The group will be working on a set of strategic principles for effective commissioning and will be gathering examples of good practice in infrastructure support, commissioning and co-production. This work will be presented for consideration to the Leadership in the Third Sector Sub-Committee at its next meeting in February 2018. Borough officers have been chosen to sit on the Hub and System Change advisory groups.

360 Giving

1.10 The London Councils 2017-21 Grants Programme funding has been published on the Grant Nav database run by 360 Giving (www.threesixtygiving.org). Publishing our grants information in an open data format on 360 Giving, joins up data and enables funders and charities to improve grant making practice and improve strategic planning, which in turn provides greater opportunities for efficiencies and reduction in duplication. Officers continue to work with 360 Giving to encourage boroughs to publish their data in this format.

The Way Ahead: Systems Change Group

- 1.11 London Councils contributes to the System Change Group, which oversees the implementation of *The Way Ahead*. A representative from the group has presented to the Sub-Committee keeping members informed about progress with the Cornerstone Fund and the Hub, and has also updated borough officers. A change plan has been produced to move implementation forward.
- 1.12 Membership of the System Change Group is currently being refreshed to include more key stakeholders including grassroots and equalities organisations. A member of the Sub-Committee has been invited to join the Systems Change Group and nominations have been sought. Cllr Bob Littlewood has been nominated as the Member representative on this group.

The London Hub

- 1.13 It is envisioned that the London Hub will undertake four key strands of work:
 - 1.13.1 Promoting positive change – a voice for civil society, networking, evidencing impact, advocating for investment
 - 1.13.2 Unleashing potential – branding of the sector, asset based resourcing, development work, leadership development
 - 1.13.3 Improving systems of work – developing increased collaboration, sharing resources, e.g. portals, peer to peer networks, training, and dissemination of good practice.
 - 1.13.4 Real time intelligence – data analysis and sharing, outcomes and impact frameworks, voice and campaigning
- 1.14 Representatives from *The Way Ahead* initiative have presented to both members and borough grants officers about developments.
- 1.15 The London Hub will complement local, regional and specialist infrastructure support, which complements the local borough view (identified through the borough survey) that infrastructure support is best delivered, in the main, on a local basis. The Hub also intends to deliver “triage and connect” i.e. diagnosis and signposting to help and information for small, local organisations. As it develops, the Hub could bid for London wide support contracts with the potential to work with local organisations to cascade delivery, which could enable smaller, local groups to access funding and create efficiencies through partnership bidding.
- 1.16 It is anticipated that the Hub will be operational by 2018. A member of the Sub-

Committee has been invited to join the Steering Group that will oversee the establishment of the London Hub. Cllr. Paul McGlone has been nominated to be the Member representative on this group.

The Cornerstone Fund

- 1.17 City Bridge Trust is continuing work on the establishment of the Cornerstone Fund. The fund is intended to support a transformational agenda working towards improved support and skills for civil society in London. It is anticipated that the fund will be making awards in early 2018. London Councils shared the findings from the borough survey with City Bridge to inform thinking on how the Cornerstone Fund might be distributed. These findings were included in City Bridge Trust's subsequent research on non-statutory funding (presented to the Sub-Committee in September).
- 1.18 London Councils is represented on the steering group which is working on the scope of the Cornerstone Fund. Officers took part in a Funders Roundtable, chaired by the City Bridge Trust, with a range of other London (and national) funders to discuss the Cornerstone Fund and encourage other funders to either contribute to (or align with) the fund. London Councils officers will keep members and boroughs updated.

2 Recommendations

- 2.1 Members are asked to:

Note the progress against the agreed work plan, highlighted in section two of this report and summarised at Appendix 1.

Approve the principles endorsed by the Grants Committee: Leadership in the Third Sector Sub-Committee for working with the City Bridge Trust in taking forward the development of infrastructure support for the third sector across London:

- Robust outcomes and impact for residents will be the key focus of infrastructure support (In line with the London Councils Grants Programme)
- New arrangements will a) strengthen infrastructure support across London; b) recognise borough identities and needs; c) be informed by local intelligence-led funding strategies
- London local government representation (members), through membership of appropriate groups, will support and inform the governance of the Cornerstone Fund and the London Hub, providing a strong local voice and

democratic legitimacy

- The planning and development of infrastructure support will ensure that new arrangements are financially sustainable and do not become a potential cost to boroughs in the medium and long-term
- New arrangements, in particular services delivered from the London Hub, will provide greater efficiencies and will complement and add value to local community-based services.

Approve the nomination of Cllr. Paul McGlone as the Member representative on the London Hub Advisory Group.

Approve the nomination of Cllr. Bob Littlewood as the Member representative on The Way Ahead System Change Group

Financial Implications for London Councils

None

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Appendices

Appendix One - Work Plan agreed by Grants Committee on 23 November 2016, and progress on work done to date

Appendix Two – Member Briefing on The Way Ahead and the results of the London Councils Survey on Third sector infrastructure – October 2017

Background Papers

Grants Sub Committee: Leadership in the Third Sector, London Councils' Survey of boroughs on Third Sector Infrastructure, 12 September 2017

Grants Sub Committee: Leadership in the Third Sector, Infrastructure Support Change Implementation (with Appendices), 12 September 2017

Grants Committee, Leadership in the Third Sector: Update on London Councils Work Plan, 12 July 2017

Grants Committee, Leadership in the Third Sector: The Role of London Boroughs and London Councils, 13 July 2016 and 23 November 2016

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

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

Aims	Objectives - short term 1-6 months	Completed?	Objectives - Longer Term 6 months +	Outcomes - one year
1. To provide local government leadership in the third sector on behalf of the boroughs, representing their coordinated voice	<p>Identify what third sector infrastructure support is happening in each borough (liaising with LVSC)</p> <p>Identify commissioning styles, tools/intentions and timetables across the 33 boroughs</p> <p>London Councils publishes its grant funding on 360funding (www.threesixtygiving.org) and encourages local authorities to do so as well</p>	<p>Survey completed and reported to the sub-committee</p> <p>Member briefing drafted</p> <p>Findings shared with the boroughs and other key stakeholders</p> <p>Partial information about commissioning styles and intentions. Borough officers to draft principles for good commissioning</p>	<p>Provide analysis and information on strategic issues</p> <p>Continued participation in System Change Group and Cornerstone Reference Group</p> <p>Help to shape framework for third sector infrastructure in London (develop existing intelligence or commission new research)</p> <p>London's leaders provide representation and leadership</p>	<p>Strategies, tools and good practice</p> <ul style="list-style-type: none"> - Shared set of strategic priorities and shared commitment to tackle them - Improved communication between the boroughs, London Councils and the third sector about priorities - Members better informed on borough wide third sector successes - Better informed overview of the third sector and its achievements across London. - London Councils supports good practice in commissioning models
2 To provide a voice for London's boroughs in the implementation of change across the third sector, allowing boroughs to input in a way that is an efficient use of their resources.	<p>Set up a sub group of Borough Grants Officers</p> <p>Gather borough intelligence on engagement with civil society</p> <p>London Councils to contribute to the Systems Change and take forward actions resulting from the Way Ahead Report</p> <p>Establish key indicators that demonstrate how boroughs will benefit from collaborative work.</p>	<p>Group established and four meetings held</p> <p>Information currently being gathered to provide examples of good practice (to share with Sub-Committee)</p> <p>London Councils officer representation and contribution to the Systems Change Group</p> <p>Elected member invited to join the Systems Change Group</p> <p>Key indicators drafted</p>	<p>Gather borough intelligence on how boroughs are engaging with civil society</p> <p>Become a central resource of information on London's civil society infrastructure</p> <p>London Councils contribution to the Systems Change Group (and other relevant regional/sub regional networks) provides strong borough input</p> <p>Boroughs are able to advocate for their needs collectively and create efficiencies</p>	<p>Future shape of voluntary sector infrastructure</p> <ul style="list-style-type: none"> - Articulation of the needs of London and the future of the third sector in the Capital (ensuring the differing needs of localities are recognised) - Boroughs' differing strategic approaches to third sector are analysed and shared <p>Demonstrable Borough Benefit</p> <ul style="list-style-type: none"> - Boroughs have evidence to determine if the needs of residents/local areas are being met through collaborative working, potentially leading to opportunities for joint commissioning

Aims	Objectives - short term 1-6 months	Completed?	Objectives - Longer Term 6 months +	Outcomes - one year
3. To work in partnership with City Bridge Trust regarding the distribution of funding for support services to the third sector reflecting on local knowledge and strategic issues	<p>Influence spending from the Cornerstone Fund (c£1.5m plus potential additional funding from other funders)</p> <p>London Councils to work actively with City Bridge Trust to help shape support to third sector organisations as part of their Investing in Londoners programmes</p> <p>Gather intelligence on local issues, approaches, concerns, gaps and needs and provide an analysis of lessons learnt from London Councils London-wide commissioning of regional infrastructure to inform the Cornerstone Fund</p>	<p>Members invited to join the Hub advisory group and the System Change Group (London Councils officer remains part of the steering group)</p> <p>Borough survey findings shared with City Bridge Trust</p> <p>Borough survey findings contributed to CBT/Rocket Science research on non-statutory funding or third sector infrastructure</p> <p>Officers continue work with CBT through representation on the Cornerstone Fund reference and the System Change groups overseeing The Way Ahead</p> <p>Information shared with the System Change Group</p> <p>City Bridge Trust worked with the previous recipients of Priority Four funding through the Bridge Fund (ring-fenced funding which enabled these organisations to retain expertise to engage their stakeholders in co-producing plans for The Way Ahead)</p>	<p>Membership of group influencing funding for support services to the infrastructure organisations, to help shape any future available funding for London third sector</p> <p>Collaborate on piloting approaches that support infrastructure organisations.</p> <p>Analyse and articulate views of boroughs on third sector support</p> <p>Analyse and share lessons learnt from London Councils previous London-wide commissioning to inform the Cornerstone Fund</p> <p>Facilitate the relationship between the Cornerstone Fund and the boroughs</p> <p>Collaborate on developing performance management indicators that measure the impact of the Cornerstone Fund across London</p>	<p>Strategic Partnership with Independent funders</p> <ul style="list-style-type: none"> - Borough needs are articulated to independent funders, helping them to develop strategy to address those needs. - London Councils has clear role in governance on behalf of boroughs <p>Stronger Communities</p> <ul style="list-style-type: none"> - London's third sector infrastructure is provided with support which can be demonstrated to meet the needs of the boroughs and their residents and workers. - All civil society support provided identifies problems as well as act as a stimulus for change; leading to a stronger, more resilient third sector and increased economic, social and environmental development. <p>Borough Influence</p> <ul style="list-style-type: none"> - Any London pool of funding for Voluntary sector infrastructure is fully informed by boroughs' needs. <p>Stronger Sector</p> <ul style="list-style-type: none"> - Through this funding pool, support is commissioned to enable local communities to become more resilient by a capable, stable third sector.

Member Briefing

The Way Forward: Supporting Civil Society in London



The Way Forward: Supporting Civil Society in London

This briefing explores some of the issues around the future funding of support for civil society in London and in particular the key themes arising from the City Bridge Trust's The Way Ahead and the results of an online survey of London's boroughs.

Overview

The Way Ahead, commissioned by City Bridge Trust and undertaken by London Funders, is examining the future for civil society infrastructure across London. A report entitled The Way Ahead - Civil Society at the Heart of London (here) was published in April 2016 and focused 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 bring 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.

In response to the report, London Councils' Grants Committee formed a "Leadership in the Third Sector" (LTS) sub-committee to provide a coordinated response from boroughs to the review of civil society support in London.

The committee recognised that there was merit in pan London support to build the voluntary and community (i.e. third) sector with the boroughs, and in London Councils continuing to play an important strategic leadership role.

In light of the recommendations of The Way Ahead, the City Bridge Trust sought the involvement of London Councils, on behalf of the boroughs, to work in strategic partnership on the implementation of the report's finding. This includes influencing the spend of the City Bridge Trust's Cornerstone Fund, which is at least £3 million over two years, to fund infrastructure in London boroughs, to ascertain where voluntary sector organisations need support and to attempt to provide a minimum level of support.

The Cornerstone Fund could also potentially grow, as City Bridge Trust is encouraging more funders to contribute. This funding could potentially go to funding voluntary sector support organisations in London's boroughs, which in turn will support communities through stronger organisations.

To better influence how the Cornerstone Fund is spent, London Councils, through an online survey sent to all 33 boroughs, sought information about third sector infrastructure support that is currently being aided by the boroughs (28 boroughs responded).

Analysis

The responses show that, despite the very challenging economic environment, the majority of London boroughs continue to fund a local Council for Voluntary Services (CVS). In addition, 64 per cent of respondent boroughs support other civil society infrastructure such as play associations, environmental networks and forums for various segments of their local communities, such as older people, refugees or faith based groups.

Boroughs with a CVS awarded an average of £134,305 a year in grants and contracts, and an average of £83,619 a year to volunteer centres.

As well as the traditional support Councils for Voluntary Services are known to give, such as fundraising support, training, governance and organisational development, local CVS also provide other services, such as strategic leadership, voice and campaigning, and volunteer brokerage.

Boroughs illustrated innovative ways of supporting their local CVS, for example through asset transfer, where a building has been leased to the local CVS on a long term basis and in turn the CVS generates income to fund its work.

Local authority officers broadly agreed that infrastructure services should be delivered locally with only two exceptions - employment/HR advice and health and safety training, which officers felt could be delivered on a pan-London basis. However there was recognition that the form of delivery should depend on the size of the organisation needing support.

Commentary

London boroughs continue to give a significant amount of financial and strategic support to third sector infrastructure organisations through the London Councils Grants Programme. In 2017-21, second tier organisations providing infrastructure support to sexual and domestic violence and homelessness projects will receive funding totalling £450,000 per year.

The present economic landscape has meant boroughs have had to make difficult funding decisions and find new ways of working with voluntary sector organisations. Boroughs continue to value the work of the voluntary and community sector, funding Councils for Voluntary Services an estimated £3.5 million per year and using a myriad of approaches to continue supporting their local communities.

London Councils welcomes the invitation from the City Bridge Trust to work in partnership on the implementation of the recommendations of The Way Ahead, in particular influencing the Cornerstone Fund. The Leadership in the Third sector sub-committee will oversee London local government's contribution to this partnership work.

In addition to the Cornerstone Fund, The Way Ahead proposes the establishment of a "London Hub" which aims to be a central point for London's civil society. It is envisaged that the hub

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will be a central voice for civil society, developing leadership, innovation, shared resources and peer support for the voluntary and community sector. The Hub also intends to provide cross sector intelligence in order to provide a foundation for the other functions.

London Councils and the Greater London Authority have been involved in discussions about gathering intelligence and coordinating data. Discussions are ongoing as to the form and function of the Hub. London Councils will ensure that boroughs' needs are reflected in the design and implementation of the London Hub.

We have shared our findings from the borough survey with City Bridge Trust to help inform arrangements for the Cornerstone Fund, the Hub and the broader strategic work to continue to develop civil society outlined in The Way Ahead.

The survey findings will also inform the agenda for discussion and activity with the Grants Borough Officers Network, particularly in relation to the concept of London-wide commissioning principals for third sector support.

The findings will be shared with the London Councils Grants Committee, borough grants officers, the wider third sector and other key stakeholders such as the GLA, London Funders. We will continue to keep Members updated on further developments.

London Councils will ensure that boroughs' needs are reflected in the design and implementation of the London Hub

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Author: Feria Henry, Priority Manager (T: 020 7934 9529)

[Click here to send a comment or query to the author](#)

Links:

Third Sector Leadership survey result infographics:

Part 1 The Boroughs

Part 2 Councils for Voluntary Service

Part 3 What Services and How?

This member briefing has been circulated to:

Portfolio holders and those members who requested policy briefings in the following categories: Leadership, devolution and democracy