

Best Practice Guide

For Local Authorities and the Voluntary and
Community Sector (VCS)

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1. Introduction

At a time of widespread cuts to local council budgets, NCVO felt it important to write a joint letter with ACEVO and NAVCA to all principal local authorities¹. The letter requested that the voluntary and community sector (VCS)² was not disproportionately affected by budget reductions. It also asked each council to work in partnership with their local Council for Voluntary Service (CVS) in order to help mitigate the effects of any cuts.

The umbrella bodies received 94 responses³, which equates to just over a quarter of both district and county councils. Many responses detailed new initiatives and partnership working, which had been formulated to ease the impact of the cuts. It was positive to see that 84% of local authorities outlined how they already work in partnership with their local VCS, through forums or through more official channels, such as a Local Strategic Partnership (LSP). What is more, 50% of councils outlined innovative projects or support that they had put in place to help voluntary and community organisations (VCOs) at this uncertain time.

The VCS generally recognises that councils have varying financial commitments, projects and styles of working, which means that their allocation to the sector will inevitably vary. However, even with reduced funding, there are ways for councils to maintain strong links and a positive relationship with the VCS. It is hoped that by illustrating the ways in which some councils have introduced innovative and creative measures to forge such a relationship, others will feel inspired to follow suit.

¹ A full copy of the letter can be found here: <http://www.ncvo-vol.org.uk/news/funding/civil-society-bodies-challenge-local-authorities-tests-reasonableness>

² A number of interchangeable terms are often used to describe the sector such as charity sector, third sector, or not for profits. The term voluntary and community sector (VCS) will be used throughout this guide to avoid confusion.

³ Full details of the responses to the letter can be found here: <http://www.ncvo-vol.org.uk/networking-discussions/blogs/18452/11/05/17/how-local-authorities-are-really-managing-budget-cuts>

2. Advice for councils

There is an acknowledgement, an acceptance even, in the VCS that spending cuts are inevitable and that it cannot expect immunity. However, councils can do their bit to alleviate the strain on the sector by putting resources in place to help affected organisations adapt to changes to their funding. This by no means has to be costly, but it is likely to have far-reaching effects within the VCS.

The VCS is diverse and its presence and form is different in every area. Even within each area, the size and scale of VCOs varies greatly. It is therefore important that councils have an understanding of the importance of the VCS and to work effectively the sector must be understood, listened to and supported.

Most areas in England will be signed up to a local Compact. This is an agreement that sets out how partners representing both sectors work together. Local Compact agreements reflect the principles established in the National Compact. These include, but are not limited to: reference to meaningful consultation, commissioning and procurement and managing changes to funding arrangements.

Compact Voice⁴ has worked with local partners to understand and share both good and bad practice of changes to funding relationships. Their findings support what many of our members here at NCVO have told us; that they would like the process of spending reductions to be kept open and transparent at this transitional time.

Such a practice can also build trusting relationships, which can ultimately deliver better services. In addition, this can be used to build closer ties and better partnership working between the Councils and the VCS. This is of benefit to both sectors and is also likely to lead to more cohesive communities.

⁴ Compact Voice: <http://www.compactvoice.org.uk/>

3. Recommendations

To achieve the above suggestions, councils could perhaps do one, or indeed all, of the following:

3.1 Enable communication

Ensuring robust communication channels are in place seems straightforward, but this can often be overlooked. We are not alone in giving this advice. Effective communication was also advised in the National Audit Office's decommissioning guidance, published in July 2011 and Compact Voice have seen numerous examples of areas where communication between the sectors is non-existent. Even giving VCOs a single point of contact within the council can help smaller organisations feel included and supported, which is of course better than no contact at all.

3.2 Offer in-kind support

This could be as simple as offering VCOs free use of meeting rooms in council offices. It could, however, be a more structured arrangement of sharing IT servers or office space with local organisations.

3.3 Skill-up the sector

It is important that councils demonstrate understanding of the need to work with and 'skill-up' the sector. This could be done through the creation of a capacity building team or simply allocating (or indeed preserving) a capacity building officer post. The unlocked potential of the VCS is vast and by working in partnership with the sector, councils will most likely be more efficient in the long run, and the benefits will be felt across the community.

3.4 Encourage partnerships between organisations

Sometimes VCOs can work together to increase efficiency and reduce duplication in the sector. Local authorities can bring together like-minded groups, which could be done through the creation of a voluntary sector forum, or working with a local Compact working group. This would give organisations the chance to air and share their views and in the cases below, these are often run by the local CVS. This could, of course, be real or virtual. Compact Voice has a number of resources to help establish or strengthen local partnership groups.

3.5 Budget collaboratively

During these difficult economic times, many organisations will be making adjustments to their financial plans, which may co-inside with changes to council budgets. It is likely to be productive for councils to work with VCOs, who could suggest the least disruptive ways to manage budgets for the sector.

4. Case Studies of good practice

If you think these ideas sound good in theory but would be problematic to implement in practice, then please do read on for six case studies of local councils from around the UK. They are from urban, suburban and rural localities and of varying political persuasions. They have all shown innovative and creative ways of supporting the VCS at this transitional time.

We have also spoken with the local CVS in each area featured to ensure that the impact of new initiatives are being felt on the ground and are not seen as tokenistic gestures. Their overwhelmingly positive comments are also included below.

Encouragingly, we had a number of good practice case studies to choose from and the selection below is just a snapshot of the work of a number of councils from around the UK.

Cheshire West and Chester Council (Conservative)

Cheshire West and Chester Council have decided to introduce a new approach to funding infrastructure voluntary organisations to meet the development, governance, training and support needs of the borough's diverse VCS.

Their new approach has been to create a consortium of five local infrastructure organisations and to guarantee five years of funding if they can collectively demonstrate an effective and collaborative approach. It is hoped that such a practice will encourage joint working and reduce duplication and inefficiencies.

In times of such economic strain, the council have also decided to support the sector in a variety of non-financially focused ways. For example, they have provided IT resources to a range of VCOs, which includes the provision of an IT server to the local Citizen's Advice Bureau. They have also distributed surplus office furniture to the local VCS, as well as providing office space for Credit Unions.

The council also plays an active role in supporting the local VCS by providing a full-time secondment of a Senior Manager to support the work of the Third Sector Assembly.

They have also been working on a Local Social Enterprise pilot project, in collaboration with the Young Foundation and the Department for Communities and Local Government. This project aims to educate local authorities as to how they can support social enterprises and trading VCOs. It is also hoped that through this project, the council will better understand the barriers that prevent social enterprises from being successful.

Jo Jones, Partnership Manager for Cheshire West and Chester Council said:

'We believe that the long term commitment to VCS funding will ensure that local organisations have support and security during what is envisaged to be a difficult time. This is due to the current economic situation and increasing public sector cuts, which will place additional demand on the sector.'

Carol Berry, Chief Officer for Chester Voluntary Action said:

'Cheshire West and Chester Council have shown great commitment to supporting local voluntary and community groups by commissioning this consortium, which includes Chester Voluntary Action to deliver a wide range of support and development services over the next five years.'

'This has, at a time of major cuts in public funding to infrastructure organisations in other areas, created a period of stability locally; ensuring important support to the sector is retained. It has also encouraged both wider collaboration and the innovative delivery of support services.'



Ealing London Borough Council (Labour)

One way that Ealing London Borough Council hopes to alleviate the strain caused by cuts in funding to the sector is through its creation of the 'Transition' programme. This aims to help local VCOs manage funding cuts and develop new forms of income generation. The programme began on 1 June 2011 and will continue until 31 March 2012.

'Transition' provides help and advice to local VCS groups who are interested in bidding for funding, setting up new social enterprises or developing new business models. It also assists in the creation of new service packages for users holding personalised budgets. In addition, the programme intends to provide advice to local VCOs who are considering mergers. 'Transition' aims to offer these services through the development of online resources. The council will also research the possibility of joint purchasing and joint IT facilities.

'Transition' has been funded by Ealing London Borough Council and delivered by Ealing CVS, who have created a briefing for local groups on how to participate in the programme. This can be downloaded from the 'key resources' section on their website.

There will also be a series of workshops run by Ealing CVS, as well as Southall Community Alliance, Acton Community Forum and Action Acton. These will be on topics such as 'Mergers and Consortia', 'Setting up Social Enterprises and 'Innovation and New Approaches to Income Generation'.

It has also been announced that the council and the local VCS group will hold an overall review of how they can work better together, which will start late in 2011 and will report this time next year.

Nigel Fogg, Grant Units Manager for Ealing London Borough Council said:

‘The productive dialogue the council has had with the VCS and its representatives has been essential in reducing the impact of funding reductions on VCS services to local residents and service users.

‘The ‘Transition’ programme will assist voluntary and community groups to explore ways of adapting to the new financial environment.’

Andy Roper, Chief Executive of Ealing CVS said:

‘Our work in Ealing shows how effective joint work between the local voluntary sector and local council can shape a better overall local environment for the third sector and ensure that local VCS groups are seen as an equal partner by local authority officers.’



East Lindsey District Council (Conservative)

Local Authorities and CVS's in Lincolnshire have pioneered new partnership arrangements to support the VCS in the East Lindsey District. The arrangements were implemented as a result of the District's previous CVS, Voluntary Action East Lindsey (VAEL), ceasing trading in September 2010. East Lindsey District Council and Lincolnshire County Council worked with Lincolnshire's remaining two CVS organisations (South Lincolnshire CVS and Urban Challenge) to design an inventive service that would provide high quality, value for money services to the VCS in a time of reduced public spending.

One of the key challenges facing the partners was how to effectively and efficiently implement a service in England's third largest district, which covers a vast 700 square miles. To overcome this difficulty, an innovative and creative Interim Service using a Hub and Spoke Model was created. This used East Lindsey District Council's headquarters as the Hub, with the Council's area offices and additional community buildings used to provide outreach services. South Lincolnshire CVS provided personnel to deliver the Interim Service, with additional support provided by Urban Challenge and VCOs.

The in-kind support offered by East Lindsey District Council through this model reduced back office costs and ensured that project funding provided by the council was maximised to support the sector. The co-location of the CVS with council departments and in community settings provided further benefits such as the sharing of professional and local knowledge as well as communications. This in turn enabled the service to operate effectively.

Research undertaken by the Interim Service was subsequently used to build on this initial successes. In June 2011, East Lindsey District Council and Lincolnshire County Council funded a new three person team, which started work with South Lincolnshire CVS. This provided further skills and expertise to East Lindsey's VCS.

Clr Sandra Harrison, Portfolio Holder for Communities for East Lindsey

District Council said:

'The in-kind support offered by East Lindsey District Council through this model reduced the back office costs of providing the service and ensured that project funding provided by the District Council was maximised to support the sector.

'The co-location of the CVS with District Council departments provided further benefits such as the sharing of both professional and local knowledge, as well as communications expertise, which in turn enabled the service to operate effectively.'

Katy Roberts, Business Development and Communications Director at South

Lincolnshire CVS said:

'South Lincolnshire CVS is delighted to be working in East Lindsey, which is an area rich in voluntary and community activity. The support our organisation has received from the Council has enabled us to deliver a wide range of services with just a small team, although we are fortunate to be able to pull on the expertise of our team across the County as well as other infrastructure bodies.

Gateshead Metropolitan Borough Council (Labour)

Gateshead Metropolitan Borough Council, through consultation with the Strategic Partnership and over 10,000 local people, has created a sustainable community strategy called Vision 2030. This strategic link is further emphasised through The Deputy Leader for the council who is the Portfolio Lead responsible for the new VCS Portfolio.

Gateshead Volunteers Big Idea

Gateshead Volunteers Big Idea is jointly run by the council and Gateshead Voluntary Organisations Council (GVOC), the local CVS. There has been an on-going marketing and awareness campaign to publicise the project, such as an annual Gateshead Together Week, which is made up of a range of events across the Borough. It is encouraging to see that the scheme is having positive effects on the levels of volunteering in the area, with the number of individuals applying for volunteering in Gateshead rising from 590 in 2008 to 1596 in 2010. In September an event will be held to review the Gateshead Volunteers scheme, as well as to showcase good practice and formulate new thinking on giving. In order to lead by example, the council introduced an employee volunteering scheme in 2010.

Capacity Building Team

This is another positive step that the council has taken and it is comprised of council officers and staff from GVOC, who collectively support organisations to help them grow and improve. The team helps a range of organisations, such as those who need support in their deliverance of public services, as well as organisations that need support to increase their skills so that they can bid for contracts. The Capacity Building Team also helps organisations who want to generate income from sources other than public service provision and those who want to become more sustainable.

Asset Transfer

Gateshead Metropolitan Borough Council has been working with the VCS around asset transfer for many years and officially adopted a Community Asset Transfer Policy in 2009. Successful asset transfers have included community centres, sports clubs, homelessness provision and community allotments. The success of this scheme has been attributed to the creation of a framework for transfer, based on a lease and partnership agreement. In addition, the organisations involved have a single point of contact within the council who can in turn link them with the relevant officers.

Gateshead Commissioning Improvement Programme (CIP)

This was launched in January 2011 by the council and GVOC, with the aim of improving commissioning in Children and Young People's services. Two joint workshops have been held (facilitated by the Institute of Voluntary Action Research), which were open to VCOs working with children and young people. Priorities include improving partnerships, co-working and ensuring that information flows between the council and these VCOs. It also hopes to ensure quality and clarity in service delivery and build the skills of the organisations involved through joint training and capacity building programmes.

Children and Young People's services Forum

In April 2011 as a direct result of the Commissioning Improvement programme action plan a Children and Young People's Services Forum was created. It aims to promote innovation, support collaboration in the sector, develop skills and capacity and assist with developing the market for commissioning in Children's services. The current membership is 48 VCOs including Barnardos, local youth clubs, carers, childcare, mental health and black, minority, ethnic (BME) organisations. Sessions were held over the summer on issues such as commissioning, early intervention models, evidence based outcomes and payment by results.

ClIr Martin Gannon, Deputy Leader of Gateshead Metropolitan Borough Council said:

'The council has placed significant emphasis on our work within the VCS. We are delighted that a recent national survey showed that the proportion of organisations in Gateshead which consider that the statutory bodies have a positive influence on their success rose from 20% in 2008 to 32% in 2010.'

Gev Pringle, Chief Executive of GVOG said:

'Gateshead Metropolitan Borough Council is committed to working in partnership with its VCS as a way of ensuring that Gateshead's communities receive the best support available. Voluntary action is valued in both the borough and the sector and the Council work together to encourage volunteering and community activity under the "Big Idea" of Gateshead Volunteers.'

'GVOG is recognised as a central organisation in the partnership and as Chief Executive, I am vice chair of the Gateshead Strategic Partnership.'



South Somerset District Council (Liberal Democrat)

As South Somerset is a vast rural area with a diverse range of communities, it was felt that its 750 small and medium sized VCOs needed support from the council, as well as a forum to share good practice. In 2007, South Somerset VCS Forum was created to engage the VCS in the development of a Sustainable Community Strategy (SCS), which aims to improve the quality of life for everyone in the district by 2026. The council commissioned South Somerset Voluntary and Community Action (SSVCA) to set up the forum. It is now funded by SSVCA, with its management regarded as part of the CVS's core work and it costs under £3,000 to run.

The VCS Forum has several objectives. It aims to raise the profile of the sector in the district, raise awareness of the role and function of the LSP to VCOs, ensure the VCS has a voice and presence at the strategic level, improve access to information and resources for the VCS in South Somerset and engage VCOs in the development and delivery of the SCS. The VCS Forum meets three times a year and provides information on funding, training opportunities, employment law, charity and company law and strategic updates. Within these meetings, a number of practical workshops have been focused on skills that help to build the resilience of VCOs such as bid-writing, commissioning and procurement. Over 70 organisations have attended the forum meetings and have given very positive feedback. They have welcomed the chance to share good practice, showcase projects and network.

There is also a VCS Reference Group, which is made up of six organisations that were put forward by members of the Forum to help represent smaller VCOs. The group can be consulted by the LSP on the view of the sector on local, regional and national policy and therefore informs and directs public sector partners' strategies and actions locally. It is funded by the LSP because they view it as a key way to engage. In June 2011, the LSP worked in partnership with SSVCA to host a Forum event on the Big Society, budget cuts and partnership working. It was well received by 22 organisations, many of whom agreed to work closer together in order to be more effective and efficient.

Alice Knight, Third Sector and Partnerships Manager for South Somerset District

Council said:

'As resources become more limited, partnership working with the voluntary sector will become even more important. With strong representation for the voluntary sector on our LSP and the VCS Forum going from strength to strength, we believe we are in a good position to work better together to ensure that people's needs are met now and in the future.'

Catriona Eagle and Sam Best, Joint Chief Executives of SSVCA said:

'SSVCA has always enjoyed a good, supportive working relationship with the District Council and South Somerset Together (the Local Strategic Partnership). When funding cuts were made last year, the District Council still recognised the value of SSVCA and continued to fund us to support the voluntary sector in South Somerset. Working in partnership enables us to deliver joined up services to voluntary organisations, providing services to people in our local community.'

'One of the greatest aspect of this partnership working is that our organisation has been given the chance to work with departments at the council that we have never worked with before and who hadn't considered VCS services as a potential partner, allowing us to get into the communities that need our support the most.'



Tameside Metropolitan Borough Council (Labour)

Tameside Metropolitan Borough Council has launched “You Choose”, a Participatory Budgeting initiative that aims to support local community groups. Delivered in partnership with the local CVS, Tameside Third Sector Coalition (T3SC), the project provides £500,000 of council grant funding to local community groups.

This council funded initiative has been delivered in partnership with the local CVS as the council felt that T3SC had the right expertise and links to community groups to implement the project. The project also addresses Tameside’s Sustainable Community Strategy, which is one of their LSP core priority areas.

The scheme was designed by the council in partnership with T3SC through a steering group, where T3SC inputted into the project plans. It was created with the overall aim of generating a strong, long lasting and vibrant civil society in the area. The project was launched in November 2010 and the programme began in April 2011 and will run until April 2012.

The programme invites residents from each neighbourhood to have their say on which projects they would like to fund based on suitability for their community. The council feels that this has allowed residents to get actively involved in prioritising where the money allocated for their area is spent.

There are eight different neighbourhoods in the scheme and eight events (which correspond to the neighbourhoods) on Participatory Budget days. These are typically held on a Saturday or a Sunday. The aim of the participatory budgeting process is to create a transparent funding allocation.

David Berry, Participation Manager for Tameside Metropolitan Borough Council said:

'The three events that have taken place so far have been lively and energetic community events, with a 95% satisfaction rate amongst 338 residents and 71 groups that have attended. 89% of people attending You Choose events agree that You Choose is a good way of allocating funding locally.

'On the Participatory Budgeting days, we heard talks of partnership working amongst community groups being discussed. Also, any group that is unsuccessful in receiving funding is referred to T3SC, who will help them identify other possible services for funding.'

Ben Gilchrist, Policy and Participation Manager of Tameside Third Sector Coalition (T3SC) said:

'T3SC has been really excited to work on this project with Tameside Council. We have been really pleased to see such support and commitment to the voluntary and community sector across the borough, as well as such a great opportunity to give local people a say in how their money is spent.'

6. Further Information

If you would like any further information on the work of these councils or Councils for Voluntary Service featured, please refer to their individual websites, listed here:

- Cheshire West and Chester Council: <http://www.cheshirewestandchester.gov.uk/>
- Chester Voluntary Action: <http://www.chesterva.org.uk/>
- Ealing Council: <http://www.ealing.gov.uk/site/>
- Ealing CVS: <http://www.ealingcvs.org.uk/>
- East Lindsey Council: <http://www.e-lindsey.gov.uk/>
- South Lincolnshire CVS: <http://www.southlincscvs.org.uk/>
- Gateshead Council: <http://www.gateshead.gov.uk/>
- Gateshead Voluntary Organisations Council (GVOC): <http://www.gvoc.org.uk/>
- South Somerset District Council: <http://www.southsomerset.gov.uk/>
- South Somerset Association for Voluntary and Community Action (SSVCA):
<http://www.ssvca.org.uk/>
- Tameside Metropolitan Borough Council: <http://www.tameside.gov.uk/>
- Tameside Third Sector Coalition (T3SC): <http://www.t3sc.org/>

For more information on NCVO's work in this area, please contact Charlotte Stuffins, Policy and Research Trainee, at NCVO on 0207 520 2412 or email charlotte.stuffins@ncvo-vol.org.uk.