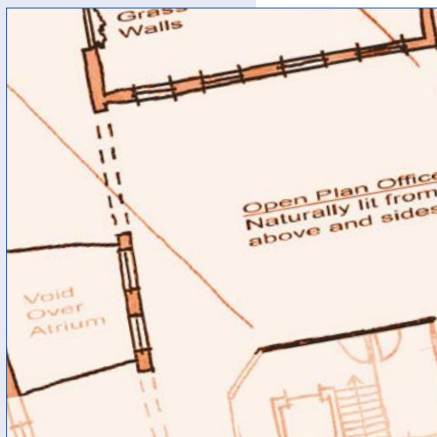


Sustainable Funding Project CASE STUDY

■ Sutton CVS



Organisation

Sutton Centre for the Voluntary Sector (Sutton CVS)

Key themes

- Working with other infrastructure in a consortium.
- Responding to change and growing need amongst local VCOs.
- Trading initiatives which enhance help for users as well as grow income.

Summary

This case study explores the benefits which can be gained from collaboration with other infrastructure agencies. It also highlights how setting up and expanding income generating initiatives can further support core service provision in addition to bringing in extra money.

Date

This case study is based on printed and web material provided by Sutton CVS with further input from Sutton CVS Chief Executive, Andy Wilson and Deputy Director, Susanna Bennett. It was produced in July 2007.

About Sutton CVS

Sutton CVS aims to promote, develop and support the voluntary and community sector in the borough of Sutton, South West London. It has been operating for 40 years and now employs 17 staff: 11 full-time and 6 part-time. It has a membership of over 300 groups but serves closer to 500 operating in Sutton. These beneficiaries vary considerably in size and scope from smaller volunteer led and run community groups to larger organisations employing staff and providing services to significant numbers of local people. The CVS is core funded by the borough and has a strong track record of attracting additional resources and successful fundraising.

Since 2001 Sutton has been part of the South London CVS Partnership. This provides a sub-regional strategic approach to ensure voluntary sector engagement with sub-regional bodies such as the Learning and Skills Council and Connexions. The Partnership also provides a mechanism for reviewing and developing provision within the sub-region through piloting and supporting new ways of working and by developing initiatives that provide a sub-regional response to enable the delivery of support to local groups in a cost effective way.

The South London CVS network has been able to secure sub-regional funding for a number of years that Sutton CVS as a borough-based organisation would not have been eligible for. This has enabled local VCOs in Sutton to access support services and funding which would not otherwise have been available to them e.g. training on a range of issues, HR and ICT support, and the opportunity for some VCOs to become training providers for their beneficiaries.

Following a recent (2005) review of sector infrastructure provision in the borough, Sutton is now also part of a smaller 'Sutton partnership'. This has brought together Sutton CVS, Volunteer Centre Sutton (VC Sutton), and the Sutton Race Equality Council (SREC). Together, these agencies are taking forward plans to develop a shared Resource Centre. This case study explains the benefits Sutton has gained from collaboration with others. It also outlines how Sutton's set-up and expansion of a pay-roll income generating initiative is further supporting core service provision in addition to bringing in extra money.

Responding to growing need

Across the borough of Sutton there is increasing opportunity for partnership working amongst VCOs. The public policy agenda and pace of change is, however, more intensive than it has ever been. This makes it increasingly difficult for VCOs in Sutton to keep up with change, adapt and develop accordingly. As a consequence, there is growing pressure on Sutton CVS to provide ongoing and increasing support with information, advice, training, organisational development, policy engagement, networking and practical support services.

In autumn 2005 Sutton CVS working with two neighbouring infrastructure agencies, VC Sutton and SREC, and other key local stakeholders, identified additional needs arising from the changing operating environment. The partnership produced a local infrastructure development plan to identify growth and investment which might be supported by the government's ChangeUp initiative to improve infrastructure provision.¹

1. ChangeUp aims to strengthening the support and assistance available to voluntary and community organisations across England. It was developed in partnership with the voluntary and community sector and focuses on improving capacity building and infrastructure within the sector.

The plan identified a range of service development issues and opportunities. These included supporting performance improvement, workforce and ICT development across Sutton's voluntary and community sector, helping VCOs develop sustainable funding by providing more 1-to-1 support, promoting diversity, and plans for supporting small groups.

Amongst the issues identified was also the fact that all three agencies were occupying premises which were either too expensive or no longer fit for purpose and therefore unsustainable in the longer term. It also identified similar issues for other local groups, including difficulties with premises and support needs on issues such as finding and developing premises, disability access, dealing with planning and architects, agreements for sharing and hiring, complying with health and safety, and negotiating leases.

In response, Sutton and its local partners identified the potential for developing a Voluntary Sector Resource Centre. This would bring the three agencies together under one roof and provide opportunities to achieve economies of scale financially and operationally. It was also recognized that such a Centre could act as a 'hub' and central access point for voluntary sector support services, thus increasing the range of support available for local VCOs.

The idea was to create a one-stop shop for local voluntary and community groups, provide a focal point to raise the profile of the sector locally, and to enable Sutton CVS and the other two agencies to offer local VCOs affordable and much needed resources such as start-up provision for small groups with on-site support, meeting space, and administration facilities.

Having recognized the clear potential for such a Centre, the Sutton Partnership approached the local authority (London borough of Sutton) and brought it on board as part of the ChangeUp implementation process. The authority agreed to transfer the land and the building occupied by the Volunteer Centre to the voluntary sector as their contribution to the development of the Resource Centre.

£15k of ChangeUp funding was used to commission a full feasibility study on options for developing the Centre and to work up a full business plan to enable approaches to possible funders and/or loan finance providers. Full architects' plans were developed in 2006 in consultation with the local VCS and other key stakeholders. In April 2007 the London Borough of Sutton formally agreed to transfer the building and land occupied by VC Sutton to the voluntary sector under a 125 year lease at a peppercorn rent. The plan is that Sutton CVS, VC Sutton and SREC will establish a Single Venture Organisation to build and manage the voluntary sector hub. A Big Lottery Fund Community Buildings Programme bid has been submitted as the first step of the fundraising campaign.

In the intervening period between architectural planning and funding application, however, building costs have increased to approximately £3million, which is an extremely challenging target and will require a review of the original fundraising strategy and options. To date, progress continues towards establishing the Resource Centre, but the challenge of meeting the increased cost of development is still to be overcome.

The Partnership's commitment to working towards overcoming the challenges ahead is nevertheless worthwhile. When complete, the centre will provide enhanced facilities to better meet the needs of all three infrastructure organisations and the groups and communities they serve. Co-location of all three organisations will ensure easier communication between the three organisations and provide opportunities to share and improve resources and some support services.

The intended central location is on excellent transport links and will provide much improved access for all users but especially older people, young people and those with disabilities. There will be a central information base for staff, volunteers and users and easy referral across the prime infrastructure voluntary organisations. The reduction in central costs through the sharing of common business support services will contribute to the sustainability of all three organisations in the current climate of reduced central cost funding. Developing work with new small groups will be facilitated by the availability of temporary on-site office accommodation. There will be potential to demonstrate to the Local Authority, businesses, and other funders the excellence of voluntary sector service from a new, purpose-built centre.

Improving financial management locally and your own bottom line: developing a Payroll Service

In addition to working on a shared Resource Centre, Sutton has also recognised the need to generate some level of independent income to improve sustainability. To do this it has developed a range of paid for services. These include consultancy, tailor-made and 1-to-1 training support, and a payroll service.

Sutton's payroll service is a particularly successful example of its paid-for initiatives. It was set up around 15 years ago and designed to help local VCO finance and admin staff spend their time more productively — working for their organisation, rather than the Inland Revenue. In this way, the service provides much needed assistance to the local sector whilst also generating income for the CVS.

The service is much needed because it helps VCOs to negotiate the increasing complexity of payroll, for example in collecting Student Loan repayments or distributing additional payments like Tax Credits, or Statutory Paternity Pay. Services include:

- Calculating salaries on a monthly basis including those of sessional or other casual staff.
- Working out payments for SSP, SMP, SAP and SPP Tax Credits and Pension payments, and supplying reports showing complete salary calculation and deductions.
- Providing VCO employees with a Security Payslip.
- Transferring VCO employees' salaries by BACS directly to their Bank account on payday.
- Reclaiming any rebate of SSP, SMP SAP and SPP for VCOs and paying their Tax and National Insurance Liability monthly to the Revenue online, which offers clients tax incentives.
- Issuing P45's.
- Printing end of Tax Year P60's for employees and preparing Employers Annual Return on line.
- Administering clients' Pension schemes.



The service has been very successful and since 2004 it has included Croydon and other nearby areas. A business plan has been produced to enable Sutton to expand the service to generate additional income to support the work of the CVS. Some additional resources will be required to implement the business plan and enable sustainable expansion of the service, but the service provides a key resource for the local community as well as supporting Sutton's bottom line.

Sutton's paid-for services complement and enhance the range of free support already provided by the CVS. The paid-for services are also in some cases provided free to Sutton's members to provide an incentive for non-member VCOs to join, and hence support Sutton's work through their membership payment. By charging for some services Sutton CVS is able to maintain and develop its levels of support to local VCOs because the self-generated income adds to the agency's financial sustainability in an increasingly difficult funding environment.

When asked if there are any lessons Sutton can share with other organisations about improving sustainability and developing income generation. Andy Wilson, Sutton's CEO notes, 'in developing income generating services it is our experience that a slow and steady build and high quality delivery are essential to establishing a capacity and reputation that will encourage and sustain extended delivery'.

Such is the benefit of Sutton's payroll and other enterprise initiatives that the CVS is now in the early stages of developing a Community Interest Company (CIC) to support opportunities to generate income from a wider range of clients/activities. This will not only support the CVS, but also ensure it continues to provide valuable support to its local voluntary and community sector into the future.

Links

Sutton CVS www.suttoncvs.org.uk

Learn more about sustainability and download resources you can adapt for your own locality from the Sustainable Funding Project website at www.ncvo-vol.org.uk/sfp

For information and advice on collaborative working, partnerships and mergers, together with further case studies illustrating how voluntary and community sector organisations are working together, see NCVO's Collaborative Working Unit website at: www.ncvo-vol.org.uk/cwu

For information about Community Interest Companies (CICs) and details on how to go about setting one up see www.cicregulator.gov.uk



Supported by



The Sustainable Funding Project is an NCVO initiative working in partnership with the Big Lottery Fund and Charity Bank.

The Sustainable Funding Project encourages and enables voluntary and community organisations to explore and exploit a full range of funding and financing options to develop a sustainable funding mix.

The Sustainable Funding Project
funding in the round

Website: www.ncvo-vol.org.uk/sfp

Tel: 0800 2 798 798

Email: sfp@ncvo-vol.org.uk

National Council for Voluntary Organisations
Regent's Wharf, 8 All Saints Street, London N1 9RL
Tel: 020 7713 6161 Fax: 020 7713 6300
Textphone: 0800 01 88 111 HelpDesk: 0800 2 798 798
Email: ncvo@ncvo-vol.org.uk Website: www.ncvo-vol.org.uk
Charity registration: 225922