

<u>MEETING</u> COMMUNITY LEADERSHIP COMMITTEE
<u>DATE AND TIME</u> THURSDAY 11TH SEPTEMBER, 2014 AT 7.00 PM
<u>VENUE</u> HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4AX

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
7.	Report by CommUNITY Barnet on the State of the Sector: the Voluntary and Community Sector in Barnet	1 - 42

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State of the Sector

The Voluntary and Community Sector in Barnet

Table of Contents

1	CHAIRS' FOREWORD	3
2	AT A GLANCE: THE VOLUNTARY AND COMMUNITY SECTOR IN BARNET	5
3	EXECUTIVE SUMMARY	7
4	METHODOLOGY	9
5	FACTS AND FIGURES ABOUT BARNET	11
6	WHAT DOES THE VCS LOOK LIKE?	12
7	CONTRIBUTION TO THE LOCAL ECONOMY	24
8	KEY ISSUES FOR BARNET'S VCS	28
9	CONCLUSIONS AND RECOMMENDATIONS.....	37

1 Chairs' Foreword

14 March 2014

We are delighted to be able to present this report into the State of the Voluntary and Community Sector in Barnet. We want especially to thank Peter Headland of Consult and Engage for the quality of the work he has delivered in conjunction with the team at CommUNITY Barnet.

Work began on this report in the autumn of 2013 and finished at the end of December. We believe its findings are a good reflection of what was happening within and around the local voluntary and community sector (VCS) last year. It shows how our members were grappling with the effects of major changes in their environment – in terms of their funding, the wider financial and social landscape, the significant changes occurring within the local statutory sector and the effects of the national political developments brought in by the Coalition government.

Change is always challenging. The Barnet Voluntary and Community sector has risen and is rising to this challenge, but its feedback on "how things are" should give serious food for thought for staff and trustees at CommUNITY Barnet, the Council and the NHS, other statutory agencies and the sector itself. However it is worth noting that this report provides a snapshot in time and that some things have moved on as the people who make up the VCS and statutory sectors find new ways to make things work.

What does the VCS feedback mean for us at CommUNITY Barnet? Our strategic priorities for 2014-15 are to:

- Be a strategic leader for the sector
- Be the capability-builder of choice
- Diversify our income

Our members have told us that they value what we do and that they appreciate our efforts to support and serve them. They have also said we are too dependent on Barnet Council's funding and that this risks compromising our role as an independent voice.

We have taken the sector's feedback on board; we know that a financial over-dependency on any single funder will compromise our ability to serve our members strategically and to be the capability-builder they trust and turn to first. We are therefore looking at a range of projects to become more financially independent by diversifying our income.

Some of our members may feel uncomfortable about some of the decisions we have to make in order to do this, so we welcome the opportunity to talk to them about the challenges we face and the solutions we will put in place in order to continue to serve them. We are confident that the outcome will be a thriving voluntary and community sector in Barnet, empowered and supported by a reinvigorated CommUNITY Barnet!

We hope you find this report interesting and illuminating.



Adam Goldstein

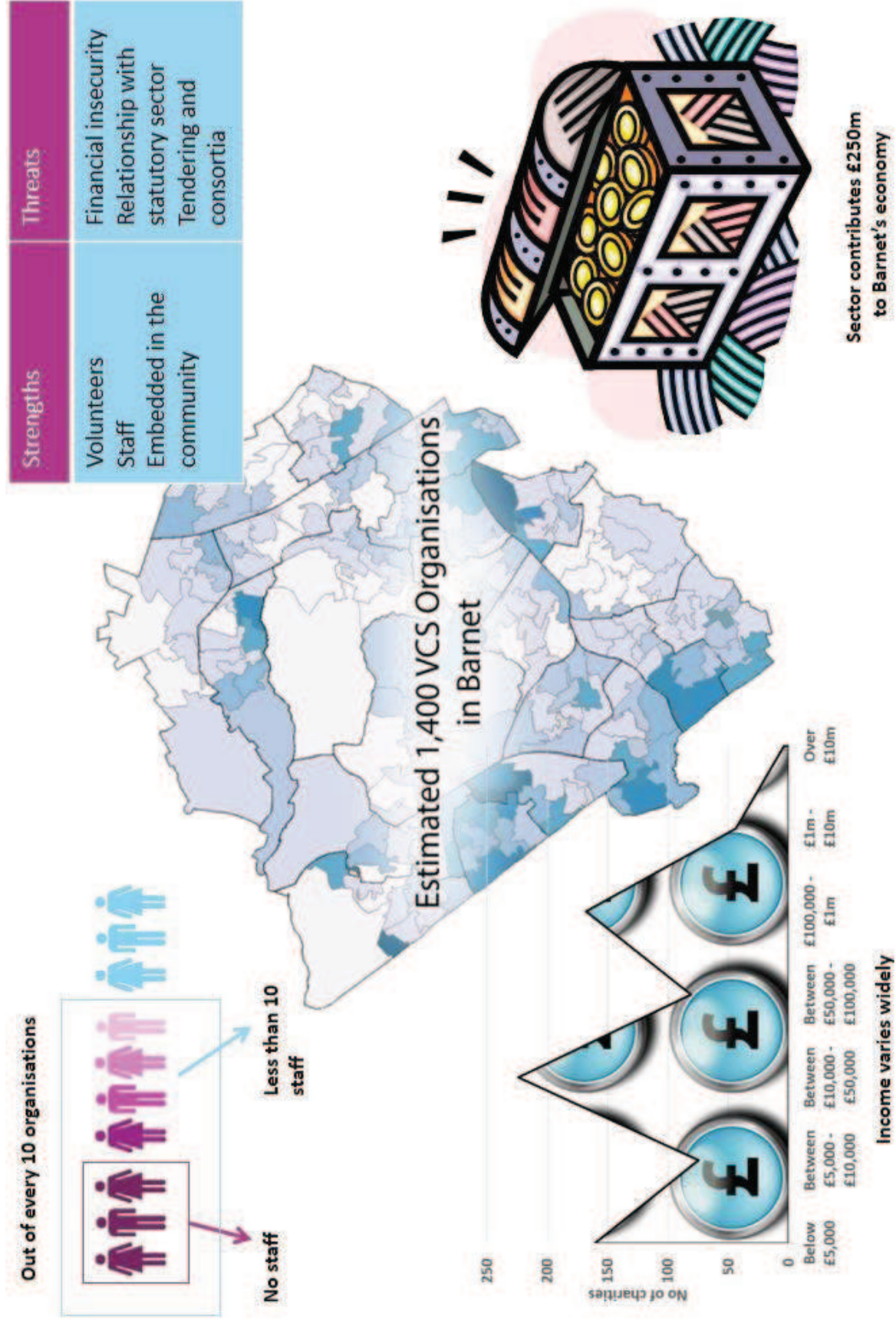
Co-chair, Community Barnet



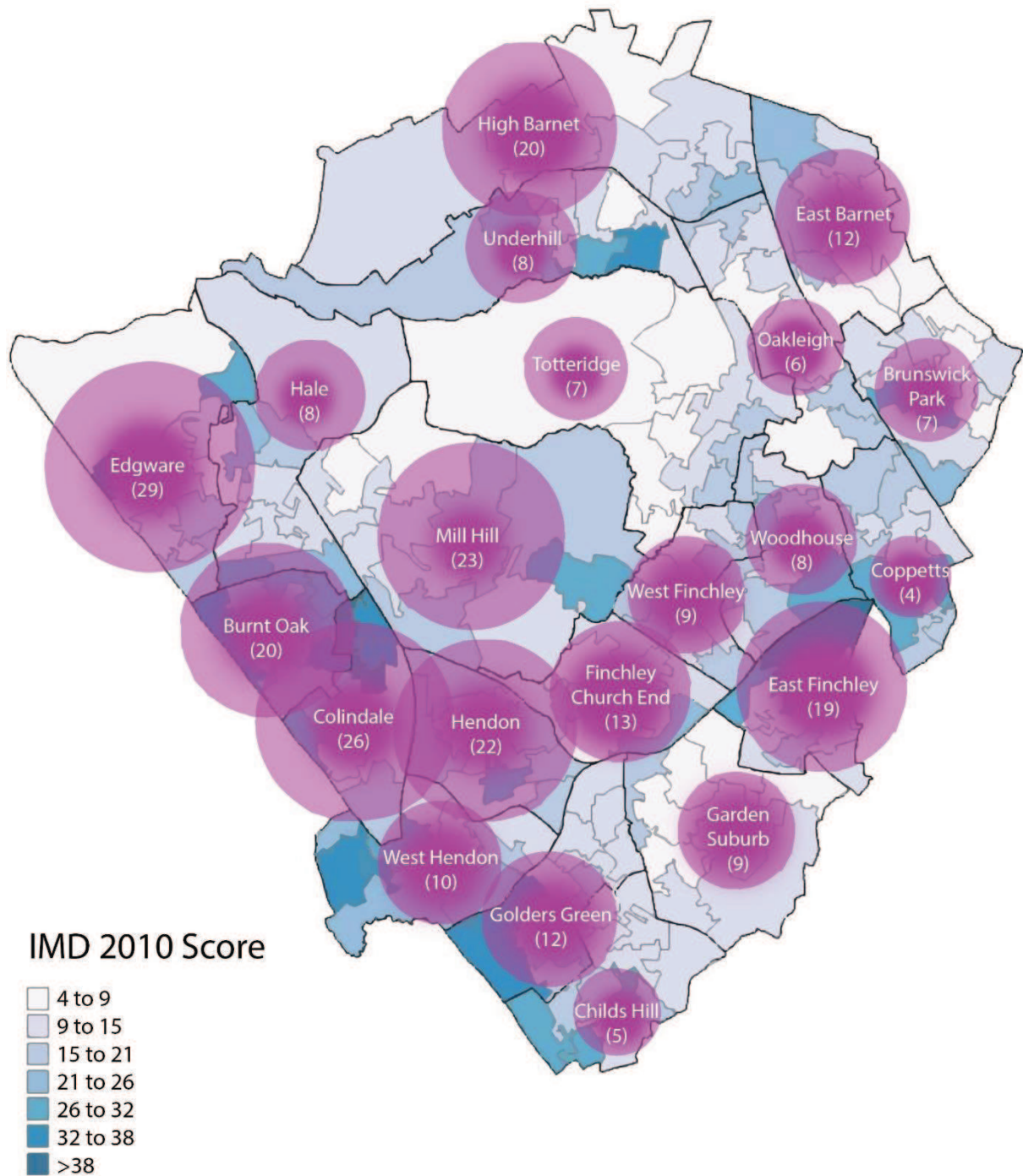
Tony Vardy

Co-chair, Community Barnet

2 At a Glance: The Voluntary and CommUNITY Sector in Barnet



2.1 Distribution by Ward



Source: ONS LSOA ID2010

Figure 1: 2010 Index of Multiple Deprivation in Barnet and VCS distribution by ward from CommUNITY Barnet Survey 2013

3 Executive Summary

3.1 Introduction

This report was produced by Consult and Engage and CommUNITY Barnet as a result of the latter's Service Level Agreement with Barnet Council. The Council recognised that the local voluntary and community sector plays an important role in delivering much needed services to local residents and wanted to develop a clearer understanding of the local voluntary and community sector and the challenges that it faces. The Council's intention was that this report would not simply inform a stronger relationship with the sector, but also be of interest to other partners, potential funders and indeed the sector itself. The Council believes that the impact of the continued austerity measures cannot be addressed without a partnership approach to local issues and views a vibrant and sustainable voluntary sector as playing a key role in any partnership.

The aims of the review were to:

- develop a clear understanding of the voluntary and community sector (VCS) in Barnet: the different types and size of organisations, services provided, scope (both geographic and beneficiaries) and economic contribution
- understand the key challenges that the sector faces in Barnet
- consider the capacity of the voluntary and community sector (VCS) in Barnet to deliver local and national priorities, exploring areas where there are gaps and possible areas of duplication

3.2 Key Findings

3.2.1 What does the sector look like?

Barnet has a large and diverse VCS. There are estimated to be 1,400 organisations in Barnet including 854 registered charities (November 2013).

Small organisations make up a significant part of the VCS, many of which are constituted groups rather than registered charities. Just under one in three have an income of less than £5,000, employ no staff, and rely solely on volunteers. Seven out of ten organisations employ less than 10 staff.

There is also a wide range of medium and large organisations operating in the borough, but proportionally very few with a substantial income; only 47 registered charities in Barnet have an income of over £1 million.

The most common objectives of VCS organisations include: education and training, religious activities, health activities, disability and community development. Six out of ten charities state education and training to be an objective.

Most VCS organisations seek to serve “everyone” in the borough. Children and young people and elderly people are highly represented as beneficiaries.

One in five organisations responding to the CommUNITY Barnet survey stated they worked with particular religious or faith groups. The Jewish community was the most common group.

While most charities work across the whole of Barnet there is a strong representation in the west of the borough which contains some of the wards with the greatest levels of deprivation.

3.2.2 The contribution to the local economy

The sector is estimated to contribute in excess of £250 million to the local economy.

3.2.3 How things are now, for individual organisations

Strengths and opportunities include: the volunteers and staff they work with, community engagement and their ability to “reach out into communities”, the contribution they make to people’s wellbeing, being established/known/relevant.

Weaknesses and threats include: financial insecurity and the challenges involved in managing volunteers.

Individual organisations remain reasonably optimistic about their short and mid-term future. However they cautioned this is because they were determined to be so! They highlighted the fragile nature of the sector.

3.2.4 How things are now, for the sector as a whole

Strengths, weaknesses, opportunities and threats for the sector as a whole generally reflected those of individual organisations, but the following points have also been made.

Strengths and opportunities include: the diversity of the sector in terms of the range of organisations and the communities they serve, CommUNITY Barnet.

Weaknesses and threats include: challenges in keeping in touch with the changing priorities of public sector agencies, performance and financial information requirements, and the relationship with Barnet Council (this was also identified as an opportunity).

Gaps in provision were identified (section 8.2.4) and there was a wish to have further opportunities to discuss these with the statutory sector.

There were mixed views about the extent of duplication in the sector and the practical difficulties for organisations seeking to merge or set up new organisations were highlighted (section 8.2.5)

4 Methodology

The review used a number of different methods to gain insights on the state of the sector. These were:

- profiling VCS organisations in Barnet using an analysis of the CommUNITY Barnet survey run in the summer 2013
- an analysis of data on registered charities from the Charity Commission and Charity Trends
- estimating the economic value of the VCS in Barnet
- facilitating three focus groups of VCS organisations in order to gather qualitative feedback
- carrying out three case studies of VCS organisations to help to illustrate the economic value of the sector and illustrate the added value that the sector can provide

4.1 The CommUNITY Barnet survey

CommUNITY Barnet carried out an online survey with their membership (1,000+ organisations and contacts). The survey went live in June 2013 and the data sample used was taken on 17 October 2013.

There were a number of organisations which responded more than once; only one response was included in the analysis. Two individual and six statutory sector responses were also received - these were separately analysed and have not been included in the main analysis, which is based on 171 responses. The response rate to the survey is 17% which is a similar to other state of the sector surveys (Manchester¹ 22%, Barking & Dagenham² 19%, Hertfordshire³ 17%).

4.1.1 Accuracy of the survey

The margin of error can be used to show the level of accuracy that a random sample of a given population has. It is calculated at the standard 95% confidence level. This is based on a 50% result in a survey (ie 50% of VCS organisations responded in a certain way to a question) which is where the margin of error is at its maximum. Given a population of 1000 VCS organisations a valid response of 171 means that the margin of error is 6.8%. This means we can be 95% confident that the true value will lie between 53.2% and 66.8%. In other words according to the law of statistical probability, for 19 out of every 20 surveys the 'true' result will be within the margin of error shown.

¹ Greater Manchester Centre for Voluntary Organisations (2013) *Greater Manchester State of the Voluntary Sector 2013; A report on social and economic impact*

² Barking & Dagenham Council for Voluntary Service (2010) *Barking and Dagenham State of the Sector report 2010*

³ Hertfordshire CommUNITY Assembly (2012) *The State of the Voluntary Sector and its Impact in Hertfordshire*

4.2 Charity Commission and Charity Trends data

Information on registered charities is maintained by the Charity Commission. The Charities Aid Foundation (CAF) has developed the Charity Trends search tool for use with this data.

The Charity Commission gathers information supplied by registered charities in England and Wales in their annual returns, and provides a monthly update of this data to Charity Trends. As a result there can be difference between the number of registered charities in an area shown by the Charity Commission website and on Charity Trends. For the purposes of this report we have used both the Charity Commission and Charity Trends data.

4.2.1 Estimating the economic value of the VCS sector

An estimate of the economic value of the VCS was carried out (section 7). This considered the income/expenditure of organisations, the employment they provided and the value of volunteers.

Estimating the social value of the sector (or the social return on investment for a specific project) was outside the scope and resources available for the review.

4.2.2 Focus groups

The aims of the research included understanding the key challenges facing the sector. It was agreed to explore these issues through focus groups of VCS organisations. Three focus groups were held in November 2013, attended by 24 participants.

Recruitment was carried out by CommUNITY Barnet and the topic guide was agreed with CommUNITY Barnet. The focus groups were facilitated by Consult and Engage and CommUNITY Barnet did not attend.

The focus groups' participants are more or less representative of the VCS in Barnet as they were randomly selected for invitation by CommUNITY Barnet, and then self-selected as to whether to attend.

4.2.3 Case studies

CommUNITY Barnet sent a mailing out seeking expressions of interest from groups to be case studies for the report. A small, medium and large organisation was selected. Consult and Engage carried out the case studies in November 2013.

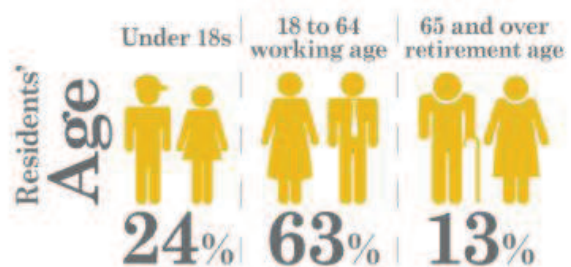
4.2.4 General considerations

CommUNITY Barnet commissioned Consult and Engage to independently carry out the State of the Sector review within the context of the methodology described in this section.

5 Facts and figures about Barnet

This graphic is taken from Barnet Council's *Communities Together Network (CTN) Proposed Terms of Reference 2013*.

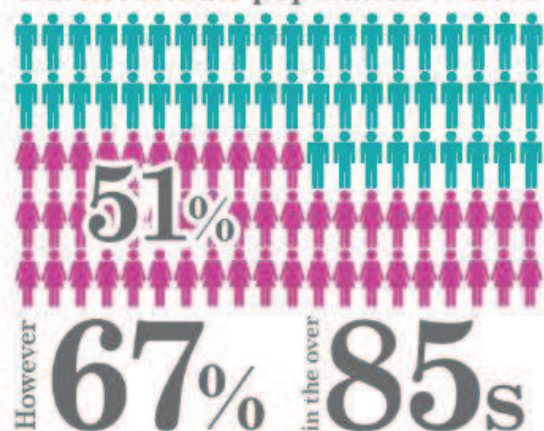
Barnet's population in 2011
356,400
 An increase of 11.5% since 2001 (41,800). During the same period, London grew by 11.6%



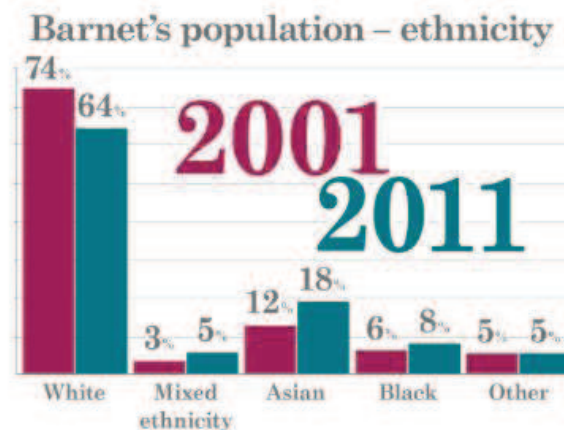
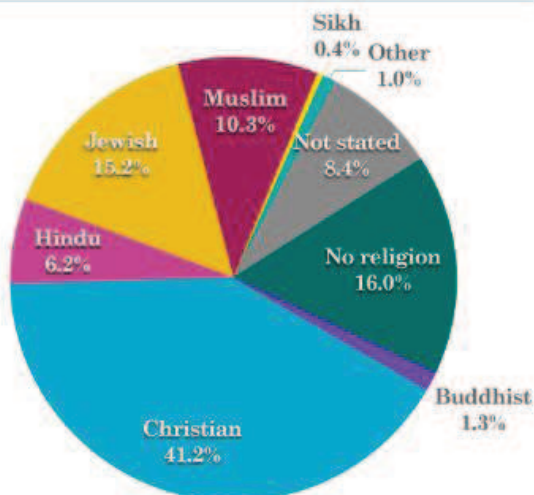
Households in Barnet
136,000 in 2011

↑ 60,000
 Barnet population expected to increase by 2021 (Source: GLA)

Barnet female population in 2011



Information on this page is from the 2011 Census.



6 What Does the VCS Look Like?

6.1 Estimating the number of VCS organisations in Barnet

Previous studies estimated the number of VCS organisations in Barnet at 1,000⁴.

Research by the National Council of Voluntary Organisations (NCVO) and University of Southampton estimated there are 3.66 “below the radar” organisations per 1,000 of the population.⁵ These are organisations that are not registered charities, limited companies, industrial and provident societies or social enterprises. Voluntary and community organisations “below the radar” will include grassroots and neighbourhood groups; for example self-help groups, faith groups, sports groups, art groups, resident and community associations.

RAISE (the regional body for the VCS in South-East England) suggests 4 VCS organisations per 1,000 population⁶.

The population of Barnet is estimated to be 356,000 (see section 4). The estimates from these two research projects would therefore be:

- NCVO/University of Southampton estimate: 1,303 “below the radar” organisations. This suggests the total number of VCS organisations would be over 2,100 since we know from Charity Commission data there are 854 charities operating in Barnet (November 2013)
- RAISE estimate: 1,424 VCS organisations in total

This report uses the more conservative estimate of 1,400 VCS organisations as the figure that would be obtained by using the NCVO/University of Southampton estimate appears to be too high, given the estimate of 1,000 organisations in 2010 and 2008.

6.2 Types of organisations

The CommUNITY Barnet survey was answered by 171 organisations and the type of organisation responding is shown in figure 2. Most respondents were registered charities or constituted groups (the latter reflecting the number of smaller organisations).

⁴ CommUNITY Barnet stated 1,000 in “Barnet’s Big Society is on your doorstep: an analysis of local voluntary and community organisations” (October 2010). The Barnet Compact states close to 1,000 organisations (2008 Compact for joint working between the council, the voluntary and community sector and local strategic partnership)

⁵ Mohan, J et al (2010). *Beyond “flat-earth maps of the third sector; enhancing our understanding of the contribution of “below the radar” organisations*. Northern Rock Foundation briefing paper

⁶ 3VA, Hastings Voluntary Action, Rother Voluntary Action “*Valuing the Voluntary Sector: the economic impact of voluntary and community organisations in East Sussex*” (2011)

Social enterprises are an emerging feature of the VCS landscape. Nine organisations replying to the survey described themselves as a Social Enterprise (Social Enterprise, CommUNITY Interest Company, Co-op). For example, Barnet-based CommUNITY Focus has set up a social enterprise GoldDust Arts to provide arts services across London and the UK.

No Barnet based social enterprises were found from a search of the membership databases of national social enterprise accreditation/membership organisations: Social Enterprise UK and Social Enterprise Mark (November 13).

The “other” description included Industrial and Provident Societies, Companies Limited by Guarantee, not for profit organisations.

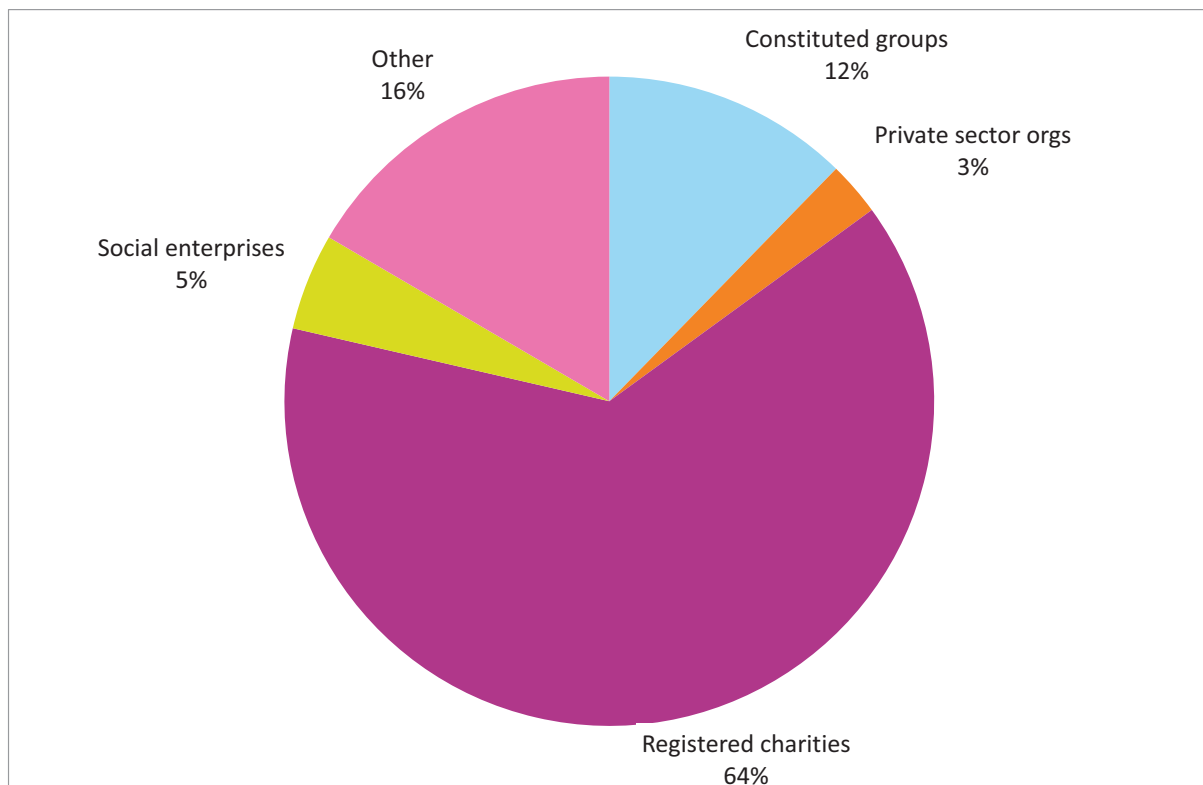


Figure 2: Type of organisation.
Base 171 CommUNITY Barnet survey. Organisations could choose more than one type

Case Study 1: CommUNITY Focus

A medium sized organisation

CommUNITY Focus is an inclusive arts centre, founded in 1987 by photographer Maria Bartha.



The organisation believes that “everyone is an artist” and they provide high quality workshops, classes and projects in film, animation, textiles, ceramics, photography, drama, art, painting, mixed media, creative writing, storytelling, sculpting, beat poetry, drumming and dance. In 2012 CommUNITY Focus delivered projects to over 1,500 clients.

“I started at CommUNITY Focus as a volunteer 5 years ago. At that time I was studying for my MA in Photography and it was very useful to get experience taking part in the Photography Studio classes. Later, I was offered a job as general assistant at the organisation. Helping the tutors to facilitate the classes (both volunteering and assisting) built the base for my later career as an Art Tutor and participatory photography facilitator. At the moment I work regularly for CF and other organisations leading art workshops and projects.”

Services are provided at their base at the Arts Depot in North Finchley and also through outreach work. They work with local libraries,

residential homes, care homes, primary and secondary schools, special schools, families and multicultural support groups. Outreach work carried out for Barnet Council in 2011-12 was successful in targeting 660 clients with a disability or who were aged over 55.

CommUNITY Focus is a registered charity and company limited by guarantee. They receive funding from a range of sources including Big Lottery, the Home Office and Barnet Council. They have also set up a social enterprise, GoldDust Arts, to provide arts services across London and the UK.

GoldDust Arts has worked with schools in the East End, Barnet, pupil referral units and nurseries.

In-house workshop programme

The in-house multi-arts programme has been running since 1980. In 2011-12, 420 people took part in courses which ranged from mixed media art, jewellery making and visual arts to computers and studio photography. 24% of participants were disabled, 60% had learning difficulties. 74% were unemployed and 12% employed. An evaluation report was carried out in the spring term; 91% of participants enjoyed the courses which provided a safe creative environment that supported skills development and improved participant wellbeing and confidence.

The workshop programmes involve 25 volunteers who on average give at least 2 hours of their time. This equates to some 2,092 hours a year and it is estimated that this would have cost a commercial organisation at least £23,000 a year to provide a similar service.

The organisation makes a significant contribution to the Barnet economy. In 2011/12 the organisation's income was £495,000 of which £77,000 was provided by Barnet Council, the

remainder being generated through a wide variety of sources. Expenditure was £467,000. The average number of staff employed during the year was seven and total expenditure on employees and subcontractors was £209,000. About 80% of service users are from Barnet and the services provided by CommUNITY Focus produce outcomes which reduce pressures on public services in Barnet; for example specialist

education for people whose needs are not met by mainstream providers, improved health outcomes and wellbeing from arts programmes, improved sense of inclusion and reduced isolation (for example for elderly people, people with physical disabilities, learning difficulties, mental health issues or dementia) and volunteers going on to find employment.

6.3 Organisational size

The VCS in Barnet is comprised of a huge range of size of organisations; from the very small with an income of less than £5,000 to very large players with income in the millions. Figure 3 compares the profile of organisations by income comparing the findings of the CommUNITY Barnet survey to Charity Trends data. In overall terms the two data sources are broadly similar: key differences are that the CommUNITY Barnet survey has a greater representation of the smallest organisations of less than £5,000 and a lesser representation of organisations sized between £10,000-£50,000. Charity Trends data only includes registered charities, and the CommUNITY Barnet survey includes a wider range of VCS organisations.

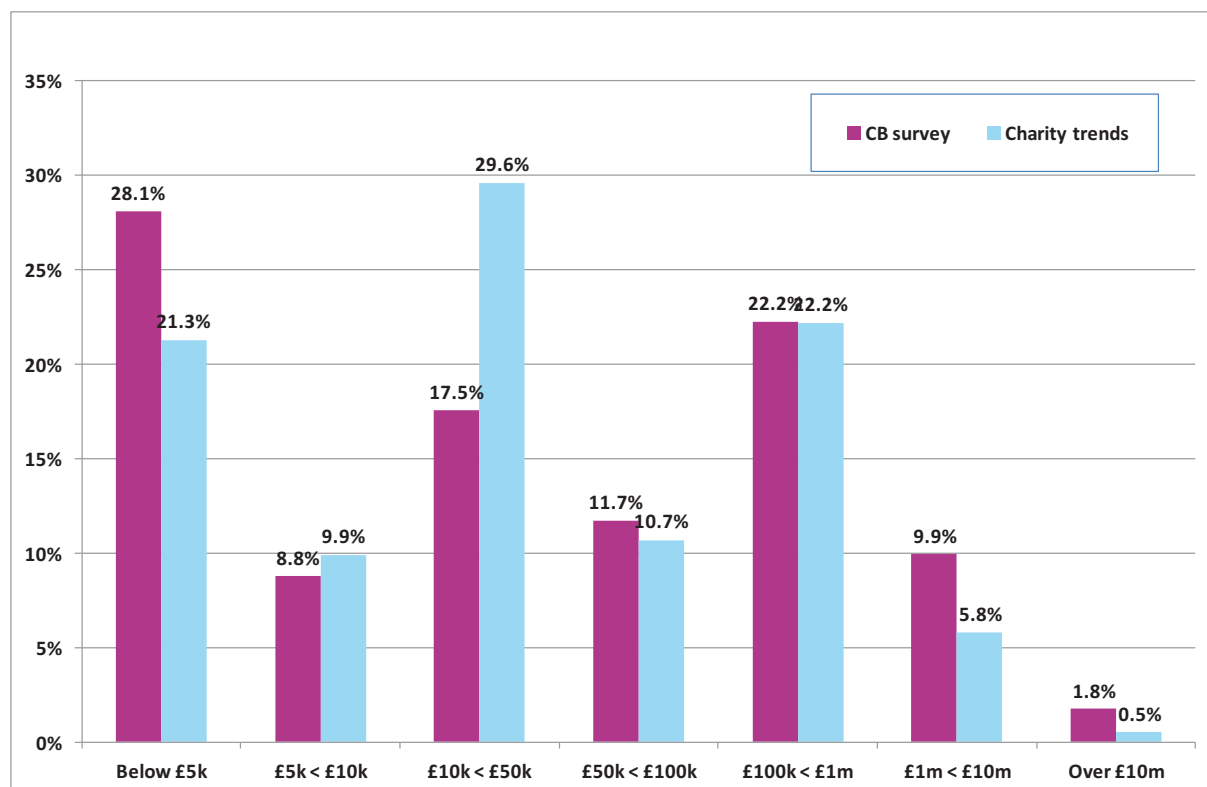


Figure 3 Organisations by income.
Base = 171 CommUNITY Barnet survey, 757 Charity Trends data

6.4 The number of staff organisations employ

The CommUNITY Barnet survey estimates that seven out of ten organisations employ less than 10 staff, with over a third employing no staff. There were four organisations with over 500 staff – the reported figure appears to reflect the national operation of the organisation.

The CommUNITY Barnet survey is a more reliable guide than the Charity Trends data as registered charities are not required to submit information to the Charity Commission on employees – only 87 charities choose to do so.

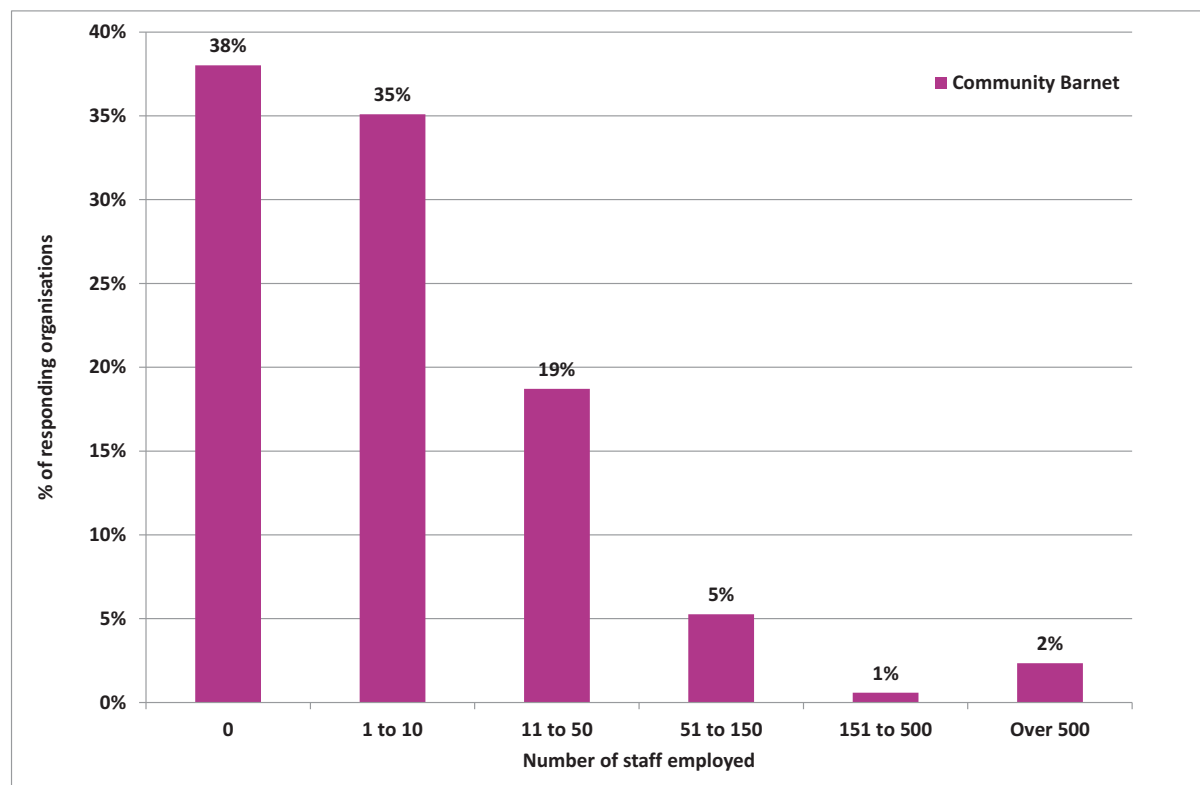


Figure 4: Number of staff employed.
Base = 171 CommUNITY Barnet survey

Case Study 2: Joy Bringers R Us

A small, local organisation

Joy Bringers R Us was set up in 2003 by Mary Mwatsama through a desire to help the community in the Grahame Park, particularly those experiencing relationship challenges or social isolation and exclusion. Joy Bringers R Us is run by Mary and her husband Clement who have carried out a variety of projects over the years in the local community including:

- A befriending service which involves volunteers being trained to providing basic counselling services
- Activities for young people including a Debate Group for young people, a chess and football club and a girls club
- A drop in advice service and signposting to other agencies

- Family relationship workshops to strengthen and keep families together

They operate from the Novo Centre on the Concourse in Grahame Park, which are premises



funded by the local church, Jesus House. Joy Bringers R Us is set up as a Limited Company and has bought in £75,000 in funding over the years to provide services to the local community. They offer work placements to students from Barnet College, amongst others.

"I first met Mr & Mrs Mwatsama, cofounders of Joy Bringers R Us in 2005. At the time I was 17 years old, relatively new in the United Kingdom, just moved to Grahame Park and in difficult circumstances. After hearing my story they enrolled me at the Burnt Oak Leisure centre for gym sessions as a way of getting me to interact with the world at large and make friends. And this marked the beginning of my journey to liberation from the dark of night to the light of day.

It was under the watchful guidance of Joy Bringers R US that I was inspired to dream

big, encouraged and supported to pursue my dream. I have since successfully completed my graduate and post graduate studies in law and am currently working as a legal consultant"

Family Relationships Workshops

This project consists of 6 workshops a year, attended on average by 15 couples and a total of 90 couples a year. Working with volunteers, they also provide follow up 1-1 work with families. The project is funded through "Awards for All" which is a small grants programme of the Big Lottery Fund.

The outcomes of the workshops are very positive. Many families stay together, leading to improved wellbeing, happiness and reduced

depression – this not only benefits the family but reduces the demands on services such as the NHS and Social Care services. There are improved life chances for children and young people, and a reduced risk of anti-social behaviour in the community. In addition, many of the volunteers that provide support to families have grown in confidence, developed their skills, and gone on to find paid employment.

The organisation has approximately 20 volunteers in a year devoting over 2,800 hours of time (including Mary and Clement who work for the organisation on an unpaid basis). This amounts to over 1.5 full time equivalent staff. It is estimated that the family relationship workshops and youth debate club would have cost a commercial organisation at least £39,000 a year to provide, based on conservative estimates for counsellor, counsellor supervisor and youth worker salaries (excluding National Insurance and on cost).

6.5 Organisations' objectives

The main objectives of VCS organisations in Barnet are education/training, disability and religious activities.

The two data sources put slightly different emphasis on the main objectives. When registered charities submit returns to the Charity Commission they can choose more than one objective,

whereas the CommUNITY Barnet survey asked respondents to choose one. The Charity Trends data below show the top five objectives for registered charities as education/training, religious activities, general charitable purposes, the relief of poverty and amateur sport. Education and training was by far the most common objective with approximately six out of every 10 charities stating this as an objective.

The CommUNITY Barnet survey includes organisations which are not registered charities and the survey asked respondents to indicate one main charitable objective. The graph below shows the top five objectives for organisations to be “other”, community development, education/training, disability, religious activities and health activities (the latter joint fifth).

The “other” group included a wide range of objectives – key themes were mental health, learning difficulties, health in general, the elderly, children/youth/family support. Health activities are therefore likely to be one of the key objectives from the survey.

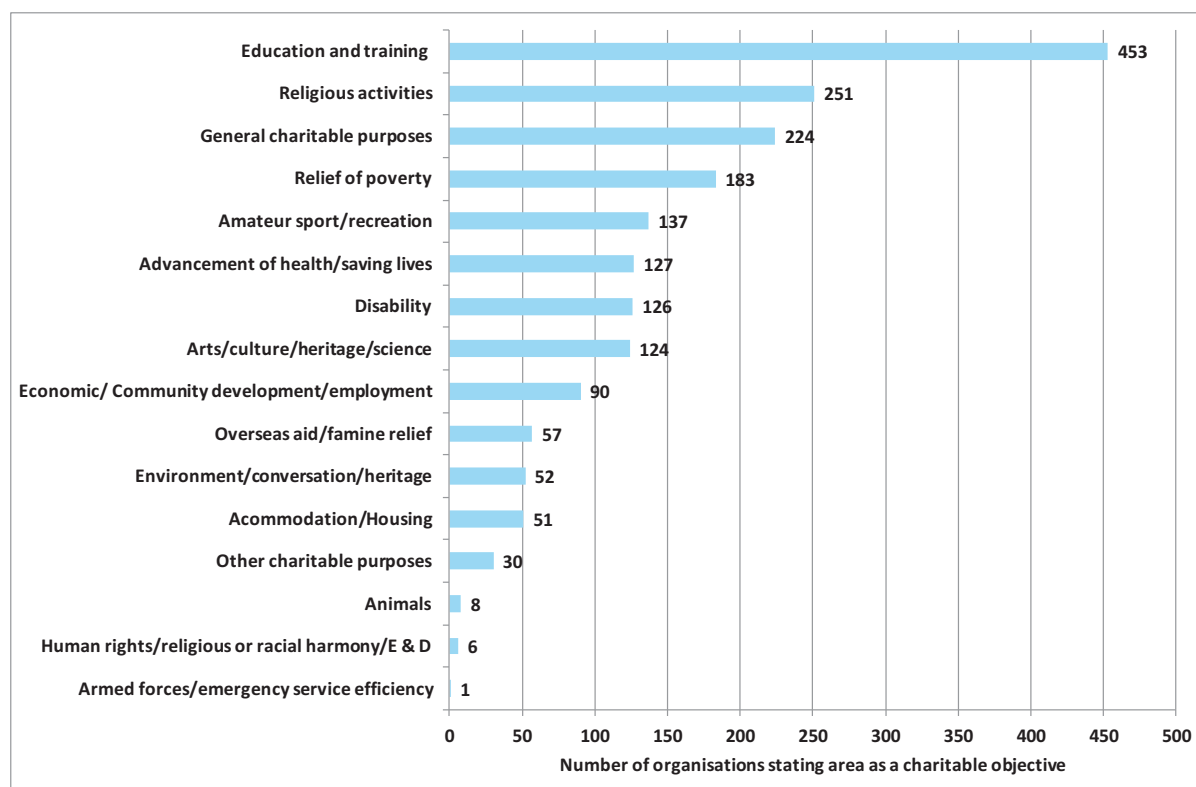


Figure 5 Objectives of registered charities.
Base = 757 Charity Trends data. Charities could choose more than one objective

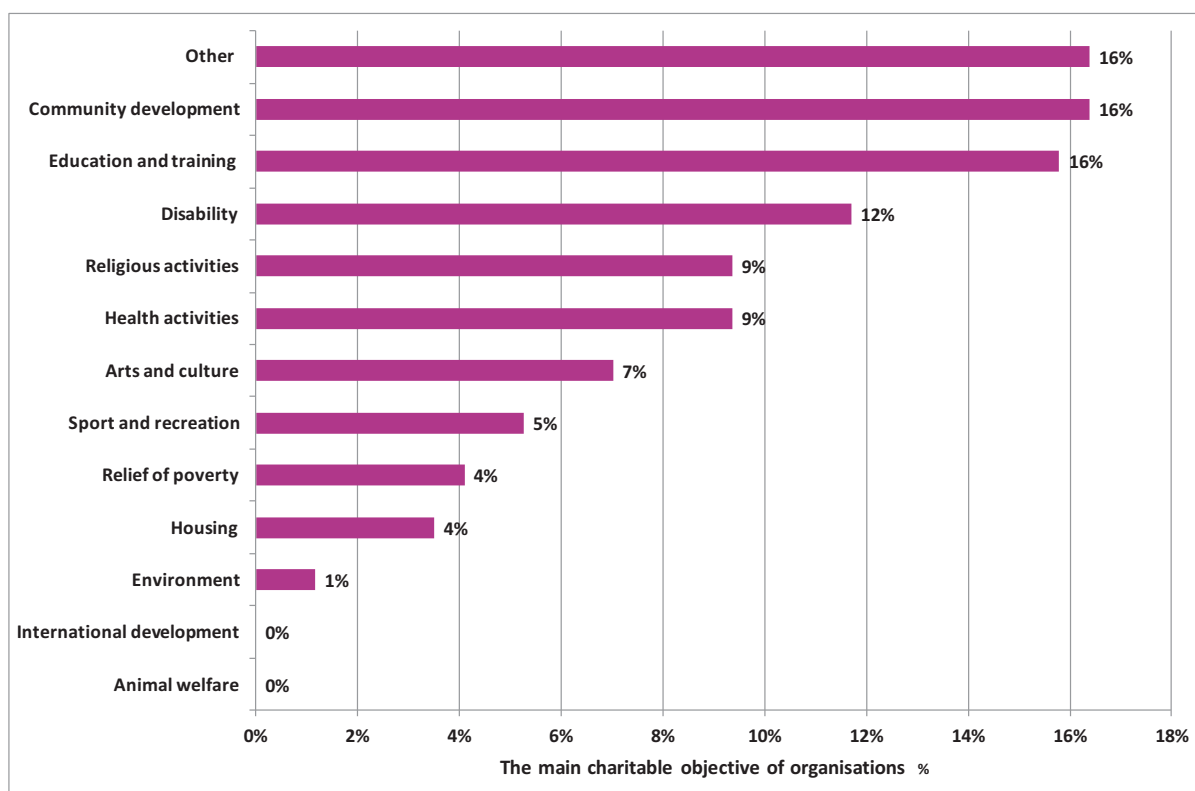


Figure 6: Objectives of organisations.
Base = 171 CommUNITY Barnet survey.

6.6 Organisations' Beneficiaries

The Charity Commission asks charities to select which of seven categories of people they help (charities can choose more than category). Figure 7 shows that over half of charities in Barnet help children and young people.

The CommUNITY Barnet survey used a different grouping of beneficiaries and organisations could choose more than one (figure 8). Over half of respondents stated their beneficiaries were "everyone".

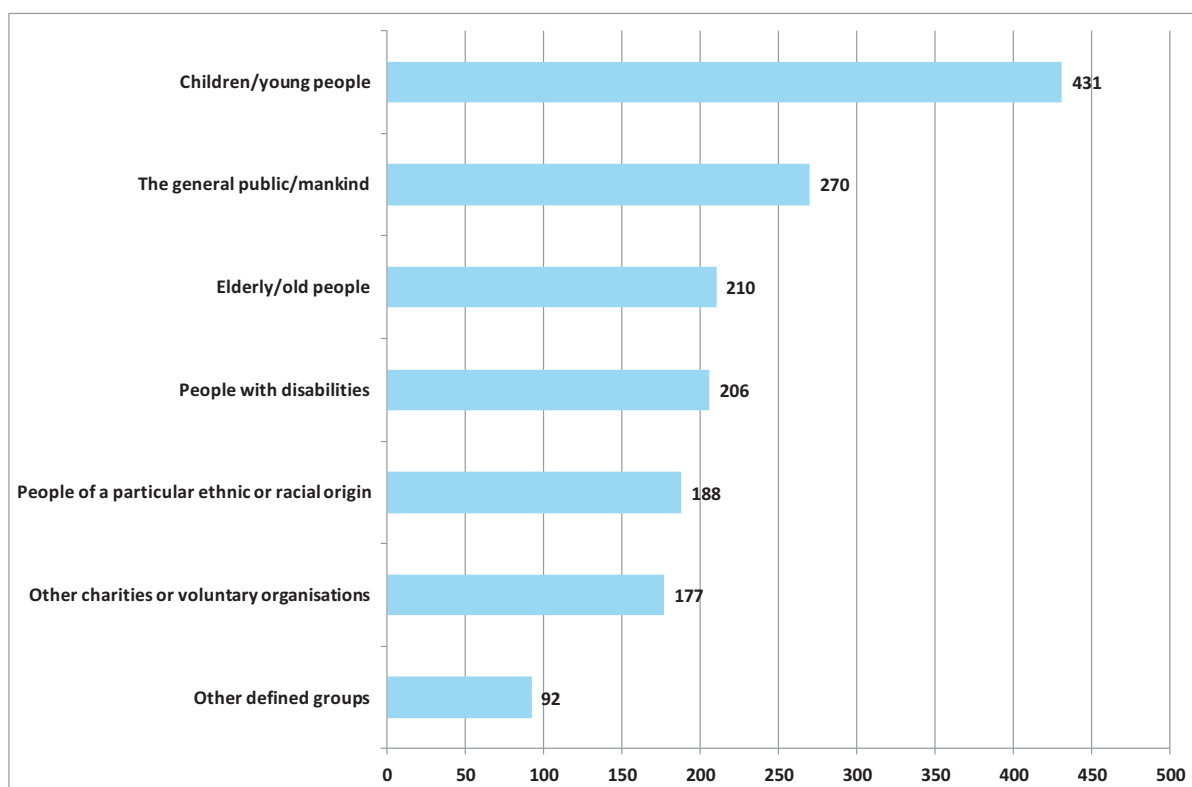


Figure 7: Main beneficiaries
Base = 757 Charity Trends. Organisations could choose more than one category

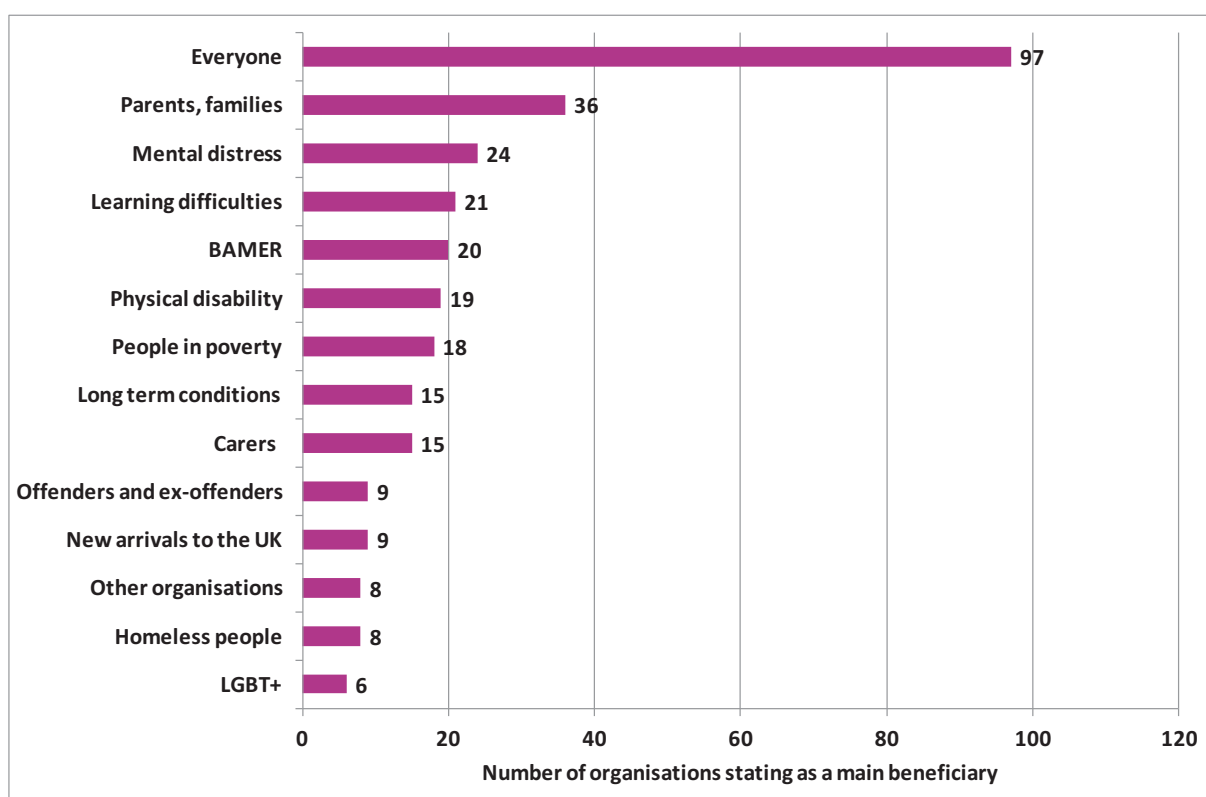


Figure 8: Main beneficiaries
Base = 171 COMMUNITY Barnet survey. Organisations could choose more than one type of beneficiary

6.6.1 Age

More than half of the respondents to the CommUNITY Barnet survey stated that they worked with all age groups. Just under four in ten organisations stated they worked with people aged over 65. Just over four in ten worked with children or young people aged under 18.

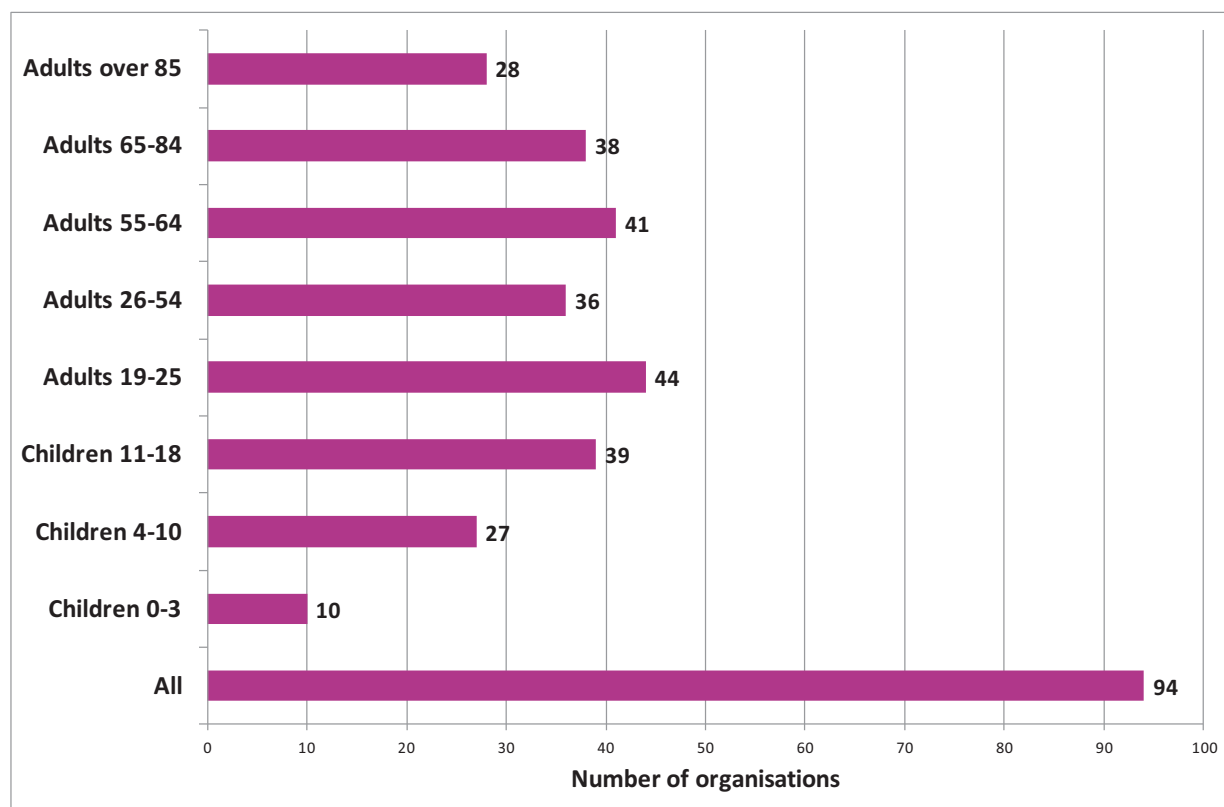


Figure 9: Age groups organisations work with.
Base = 171 CommUNITY Barnet survey. Organisations could choose more than age group

6.6.2 Faith

One in five organisations responding to the CommUNITY Barnet survey stated they worked with particular religious or faith groups. The Jewish community was the most common group (17 respondents). Other religious or faith groups included “all” (7), Christian (5), interfaith (4) and Islam/Muslim (2).

Charity Commission data also found a number of Jewish charities to be among some of the largest by income/expenditure.

6.7 Services offered by organisations

The CommUNITY Barnet survey asked which services organisations provided (they could choose a number of options). A wide range of services were provided by groups; education and training was the most frequently mentioned service by just over four in ten respondents, reflecting the findings from the objectives of organisations (see section 5.5).

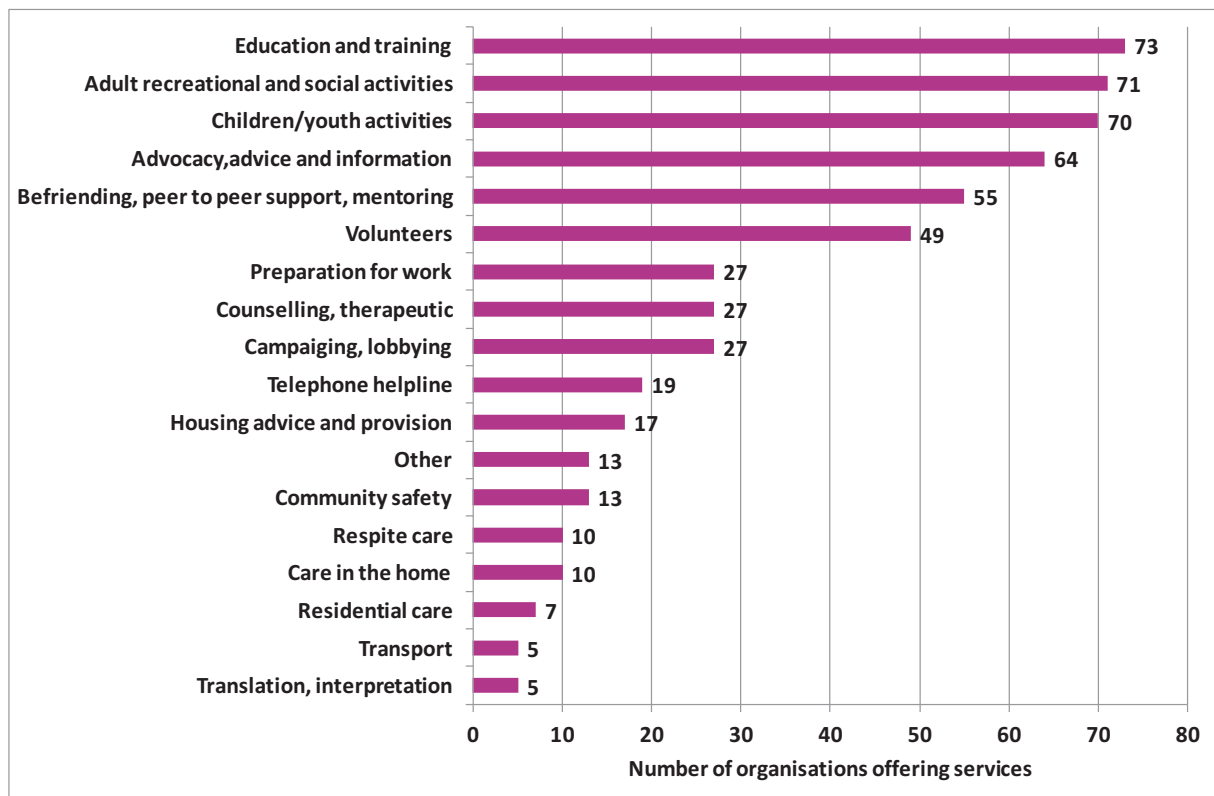


Figure 10: Services offered by organisations.
Base = 171 COMMUNITY Barnet survey. Organisations could choose more than service

6.8 Which parts of Barnet do organisations operate in?

Most organisations stated that they operated across the borough (100 in total). There was a strong representation of organisations operating in the west of the Borough which contains wards with some of the highest levels of deprivation.

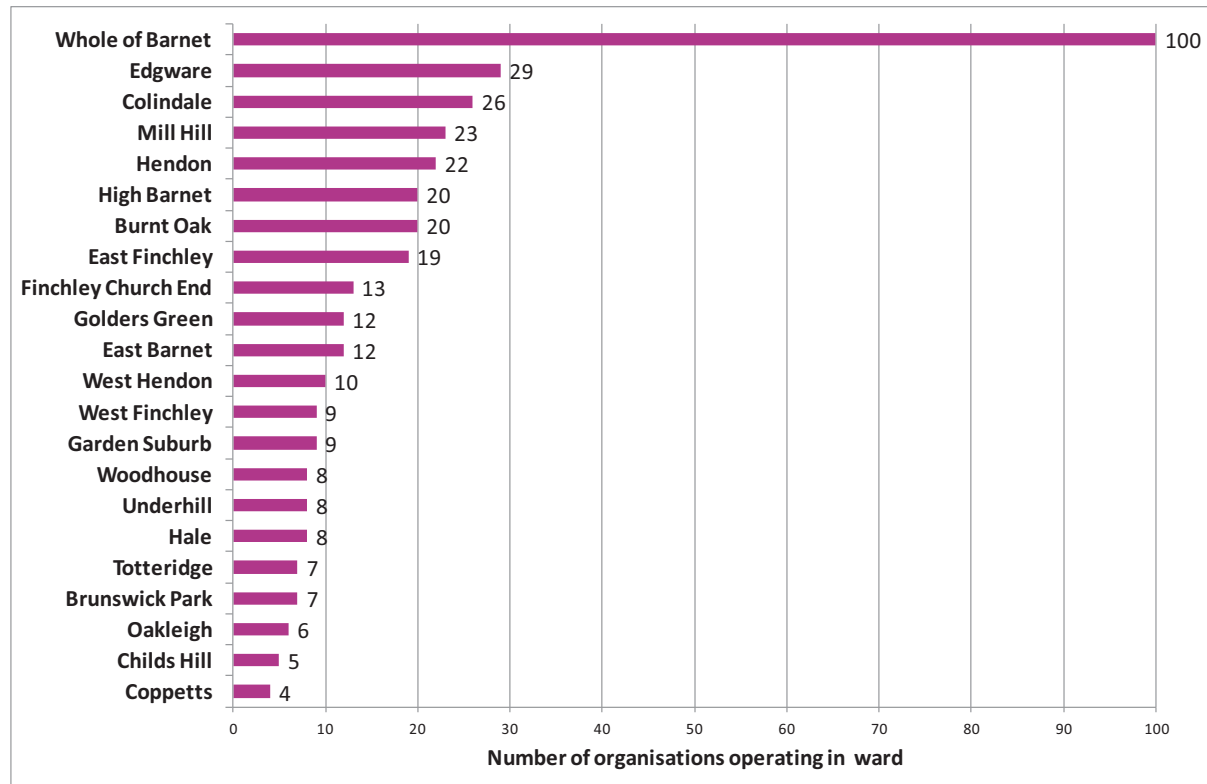


Figure 11: Wards that organisations operate in
Base =171 CommUNITY Barnet survey. Organisations could choose more than one ward.

7 Contribution to the Local Economy

The voluntary and community sector makes an important contribution to the local economy. This can be estimated both in terms of the income and expenditure of organisations and also by placing a value on the support provided by volunteers.

7.1 Income and expenditure

The estimated income and expenditure by registered charities in Barnet is

- Total income: £170 million
- Total expenditure: £163 million

This estimate has been calculated using data on 757 registered charities from Charity Commission data made available on the Charity Trends website. Some of the largest charities in Barnet operate across a number of local authority areas, and for organisations with income over £2 million an estimate was made for the apportionment to Barnet.

These totals will be:

- Overestimated, given that some smaller organisations will also work across a number of areas
- Underestimated, firstly because financial information was not available for 96 (11%) of charities and secondly, no estimate is made for organisations other than registered charities.

7.2 Employment

The VCS is a major employer in Barnet. While clearly not all staff employed by VCS organisations live in the borough a great deal do. The employment generated by the VCS creates demand and there will be a “multiplier” effect on the local and wider economy; spending decisions of VCS employees will generate income for businesses (who in turn make expenditure decisions). Similarly a reduction in employment in the VCS would have a reverse multiplier effect, reducing demand.

Charities are not obliged to send information on staffing and volunteers to the Charity Commission. A total of 96 charities operating in Barnet did do this however, and there are at least 80 with at least one employee and in total 5,121 employees. This total is skewed by the largest organisations which operate across a number of local authorities and so a conservative estimate has been made that the number of VCS staff working in Barnet is 3,400.

This estimate was based on:

- Apportionment of staff to Barnet for organisations with income over £2 million led to a revised staffing estimate of 3,115.

- The larger organisations were more likely to provide employment information to the Charity Commission. An assumption was made that 10% of charities with employees did not provide a return, rounding the number of salaried employees up to 3,400.

The average income in Barnet (expressed by the “mode” or most common salary) is estimated at £27,500⁷.

The estimated expenditure on employees working in Barnet by the VCS is therefore £93,500,000.

7.3 Volunteers

A total of 179 charities provided information on volunteers to the Charity Commission. There were 131 of these with at least one volunteer and in total 5,705 volunteers (the remaining 48 reported no volunteers).

The North London Hospice which operates over three boroughs, has more than 930 volunteers.

CommUNITY Barnet research in 2010⁸ estimated that there were 40,000 volunteers in Barnet, and in their report *Measuring National Well-being - What we do - September 2013* the Office for National Statistics states that nationally, 16.8% of adults volunteered during 2010/11. If Barnet is typical of the national average, this means that locally 45,500 over 18s have volunteered over the last year.

Volunteers serve in a wide variety of roles and their time commitment will vary greatly. Trustees of organisations may spend many hours in governance roles, and dedicated volunteers may give up a great deal of time for projects. Other volunteers may provide more a more limited time commitment. It is difficult to estimate the overall time contribution and this is an area to explore in the future. A conservative estimate is an average of 2.5 hours per volunteer per week (over a 48 week period). This is based on the case studies in this report and the Volunteer Centre at CommUNITY Barnet. This implies 4,800,000 – 5,460,000 hours of volunteer time; the more conservative figure equates to 2,637 full time staff. Using the average salary of £27,500 implies that the value of in-kind work in Barnet is £73 million.

⁷ LBBarnet estimate

⁸ CommUNITY Barnet “Barnet’s Big Society is on your doorstep: an analysis of local voluntary and community organisations” (October 2010).

Case Study 3: North London Hospice

A large, registered charity

North London Hospice (NLH) was set up by the local community and has been caring for and supporting people and their families in Barnet, Enfield and Haringey since 1984.

also aims to help them adjust and make the transition to a new way of living.

The service is provided by volunteers who have trained in support skills or by volunteer qualified



Figure 12: Loss and Transition Service volunteer training group

The mission of the Hospice is “we care about people with a potentially life-limiting illness and aim to add quality and meaning to their life journey”. They provide the following services:

- COMMUNITY Specialist Palliative Care Teams (advice to patients on symptoms and help with anxieties and concerns faced by patients, carers, families and children)
- Out of hours telephone advice service
- Day services unit based in Enfield
- In patient unit in Finchley with 17 en-suite rooms offering specialist 24 hour care
- Palliative Care Support Service (hospice at home service)
- Loss and Transition Service (including bereavement service)

Loss and Transition Service

This service aims to support patients or their carers in coping with the emotional effects of loss of health or the loss of a person close to them. It

counsellors. This service is in addition to that provided by the specialist palliative care teams and is provided following a referral and assessment process to the NLH patients and their families/friends while the patient is under the Hospice’s care. It is offered to all families/friends of NLH patients who have died, for up to 14 months after their loss.

Recently the bereaved partner of a patient said:

“Ever since the very first moment, everyone we had contact with at NLH made the two of us feel ‘held’ during this worst time of our lives. This was face-to-face or even by phone. We felt that we could speak to **absolutely anyone**, whether staff or volunteers & **that they could cope** with the difficult things we needed to put into words.

Now 10 months after my partner died, I feel I can manage the grief on my own. The pain certainly hasn’t gone away but I’ve been strengthened by the support received from

staff and volunteers at North London Hospice.”

NLH is a registered Charity and Company Limited by Guarantee. The 2011-12 accounts show the income of the organisation as £7,412,000. 23% of income is from grants from NHS organisations. 77% of income is from other sources, most of it self-generated through donations, fundraising, legacies, charity shops and investments.

In 2011-12 NLH’s expenditure was £7,204,000. NLH employs 136 staff at a cost of £5,413,000 (staff work across three London boroughs). The organisation provides services working with an “army” of more than 930 volunteers who work in roles such as fundraising, shops, drivers, counsellors, art therapists and chaplains. NLP

estimate that volunteers (excluding those working in shops and in the Loss and Transition Service) provide some 33,000 hours of support. Based on the average income figure of £27,500 used elsewhere in this report this suggests an in-kind value of £508,000 for volunteer time.

The work of the organisation benefits Barnet, Enfield and Haringey residents; however 50% of the 346 admissions to the inpatient unit in 2012-13 were from Barnet as were 54% of the 898 new referrals to the community teams.

The organisation has a strong partnership with the NHS and the Council. It provides high quality, cost effective services which reduce pressures on the NHS and help the wellbeing of families of people affected by life-limiting illnesses.

7.4 Summary

The total contribution to the local economy of Barnet is therefore estimated at £163 million of expenditure + £73 million of in-kind volunteer time = £236 million. This does not include the multiplier impact of the employees who live in Barnet spending an element of their salaries with local businesses. **It is likely that the value of the voluntary sector to the local economy in Barnet is in excess of £250 million.**

8 Key issues for Barnet's VCS

In order to investigate the key issues for Barnet's VCS, three focus groups were held: one for small organisations (attended by 7 participants), medium organisations (9 participants) and large (8 participants) organisations.

During the sessions a simple strengths, weaknesses, opportunities and threats (SWOT) exercise was carried out by individual organisations. A second SWOT was then carried out by each group for the voluntary and community sector (VCS) in Barnet as a whole. As often happens in such exercises issues were multi-dimensional, for example a threat could also be an opportunity.

8.1 SWOT Analysis: Individual Organisations.

The organisations who attended the focus groups reflected the diversity of the voluntary sector in Barnet – from one person operations to groups with a budget of over £1 million. This was reflected in a huge diversity of issues raised by individual organisations. However there were some shared themes which are explored in the next sections.

8.1.1 Shared themes – strengths and opportunities of organisations

Above all the greatest strength of individual organisations was the **volunteers** and **staff** they work with:

“We just couldn't do what we do without our volunteers ... we all greatly appreciate volunteers” (medium group)

“The commitment of staff we work with is amazing. There is real passion, commitment and willing to go beyond. They are ingenious. If something doesn't work, we will figure out a way to make it work” (large group)

CommUNITY engagement was a common strength and opportunity. This was expressed in terms of the ability of organisations to “reach out” into communities and establish needs, and obtain the support of local communities. Many organisations felt that they had more “punch” in engaging with communities than the public sector could have:

“We are positive because we are constantly in touch with the people we serve, we are therefore constantly aware of their needs” (small group)

This combination of dedicated volunteers & staff and ability to reach communities was reflected in many groups highlighting the **contribution they make to people's wellbeing** and the difference they make to people's lives.

Groups placed considerable value on being recognised; whether locally for small groups or at a local/national level for medium/large groups. A strength was being **established, known and relevant**.

The current **political and economic climate** was viewed as both an opportunity and a threat for organisations. While all agreed the climate is challenging, several participants felt that this provided “endless”, “huge number” of opportunities for the VCS (examples given included the Localism Act, the Right to Challenge to run services, health prevention work, changes to the criminal justice system and the transformation that public services are going through).

8.1.2 Shared themes – weaknesses and threats to organisations

Financial insecurity was by far the greatest shared concern of VCS groups. This was identified as a weakness and a threat by all three groups. The insecurity and the sustainability of organisations are discussed in more detail in section 8.1.5

While **volunteers** were identified as a strength they also provided challenges. These included recognising that volunteers need to be managed and also increased difficulties in recruiting volunteers:

“... the management of volunteers is a profession. The Big Society has put volunteering on the agenda, however it has failed to support the capacity of volunteers and this needs to be understood. Some volunteers are former clients and then they go on and get proper paid employment. Not everyone who volunteers is suitable – managing volunteers is hard work. Volunteers need nurturing ... and some can be very demanding. People don’t realise how hard it is to manage volunteers and get the best out of them” (medium group).

“The idea that volunteers can run everything is madness. Volunteers aren’t free. It’s a complete misperception. Funders want you to deliver a journey to the moon for the price of a bus ticket” (large group)

8.1.3 Differing perspectives

There were some perspectives which came out more strongly in the different focus groups. Small organisations discussed in particular how their size meant they had to be “grounded” in their local communities. Some (but not all) of the small organisations did not receive any grants from the Council or other public sector agencies. These organisations felt this resulted in their services being very focussed on meeting needs. They considered they could adapt and be flexible, perhaps more so than larger organisations:

“There are large organisations set up many years ago who are falling apart and have lost their way. A lot of large organisations have become so expanded that they spend lots of money on things which don’t actually help beneficiaries. A lot of work we do around the table is real, we don’t spend money on things that don’t help people” (small group)

Small organisations also discussed the practical difficulties from their size; for example a group said they were “over-dependent on one person”. Website technology management

and design was an issue for many small groups. One participant praised iT4Communities (a national IT volunteering scheme which helps small groups)⁹

Medium and large organisations discussed in greater depth issues relating to the commissioning of services and tendering for contracts (see section 8.1.5). Where groups had merged some difficulties in practical working arrangements were raised for example “consistency of policies and procedures”. Similarly some groups in partnering arrangements raised difficulties with “communications and sharing data”.

8.1.4 Organisations’ sustainability - temperature check

A temperature check was taken on how participants were feeling about the future of their organisations over the next few years. Participants were asked to assess themselves on a scale of zero to 10 with 0 being very pessimistic and 10 being very optimistic.

There was a range of views from 2 to 10, but the average¹⁰ was 7, suggesting a reasonable level of optimism. The average did not vary across the groups. While reasonably optimistic, participants cautioned this was because they were determined to be so and highlighted its fragile nature:

“We engage with communities, we meet their needs and we get positive feedback from service users – that is where my optimism comes from” (small group)

“We say this because we are determined to be resilient. If one person falls under a bus it can be a different story. It also depends on consortium and if one partner lets you down” (medium group)

“We tend to be more optimistic than evidence justifies sometimes. Say 2 or 3 years from now ... we might have to change what we do. It might not mean the exact organisational structure, you hope something there survives to carry out mission for people you are working with. It’s important to think about that more flexibly than we have had to for many, many years” (large group)

8.1.5 Organisations’ sustainability - willingness and ability to change

All of the three groups highlighted the threats from external pressures including reductions in funding, increased demand particularly in the context of an ageing population, and increased costs.

“I think the main threat to us is that I think we have come to the point where there is so little capacity left in staff. Although we have enough to survive on we are so very limited in how we can develop. I keep thinking of us as a piece of elastic that has been

⁹ <http://www.it4communities.org.uk/it4c/home/index.jsp;jsessionid=1D5AE170348553AEF02B64A7E2FC9691>

¹⁰ Average was expressed in terms of the median. The results were placed in an ascending order and the middle value chosen as the average.

stretched to its absolute maximum ... you just can't get anything more out of us ... the Council inhabits a different universe and really does not understand" (medium group)

At the same time there was a willingness to adapt, even if this involved radical change for the organisation. The commitment to service users and residents was paramount:

"We are all there for the purpose of a mission, as opposed to securing a workforce. I'm there for disabled children and in some form, it will happen. I feel sure the trustees will want the organisation to continue to work" (large group).

Five main barriers were identified to the ability and willingness to adapt.

1. The first of these was the problems faced by short term funding:

"Every six months we get told by the Council whether we are going to continue so we have to put everything on hold ... it is very draining and not good for us or our service users. We have to prepare an exit strategy but then get told you are going to be around for six months. Banks expect you to have at least a 2/3 year business plan ... We need to run the sector like a business ... we need to be effective and efficient ... people need to be given funding for 2/3 years not for 6 months" (medium group)

2. The second main obstacle was the difficulty of tendering for large contracts.

"Big contracts can cost a lot to tender for ... and the cost of this may be greater than the [money] we receive. We won a tender 3 years ago but we do not feel we will this time. It's like a race to the bottom – we'll end up with zero hours contracts, slave labour" (medium group)

3. The third obstacle was in the setting up of consortia. While examples were given of successful consortia, challenges were highlighted in terms of the costs involved. Both small and medium groups identified support was required to work together as consortia. However there were mixed views on whether consortia presented a way forward for the sector:

"Consortia – that's the only way for us little folks ... there is a key role for CommUNITY Barnet in helping to set up consortia, providing back office support, advice and encouragement" (small group)

"I think consortia are a mixed blessing. We are not a lead provider at present, we are a subcontractor at present. If we go for contracts in the future and we are asked about contracts we lead on ... well that worries me. Successful work on consortia often involves high calibre solicitors and that excludes us automatically" (medium group)

4. The fourth obstacle was a perception that sometimes organisations felt pressurised to agree to unrealistic performance targets. Given the insecurity of their funding they felt obliged to agree to these even if concerned about how feasible they were:

“We are funded by LBB and NHS and we have been re-commissioned. However our partner has put very massive targets [into our contract] and it is questionable whether we will achieve them. There is a massive funding challenge for the NHS commissioning group and they are looking for opportunities to take contracts away” (large group)

“We tend to say yes when we are asked to do something ... and then try to think how we are going to make it happen” (medium group)

5. Finally, some groups expressed concerns that they were over dependant on a single funder and this restricted their ability to change:

“We have little flexibility on how we can support partners outside of our program specifications” (medium group)

8.2 SWOT analysis – for the sector as a whole

The three focus groups also carried out a SWOT analysis for the VCS across Barnet. Many of the themes for the organisational SWOT analysis were repeated. For example strengths included volunteers and staff, opportunities included the political/economic climate, threats/weaknesses included financial insecurity and sustainability/change issues. However a number of new themes were identified in this exercise.

8.2.1 Shared themes: strengths and opportunities for the VCS in Barnet

8.2.1.1 A diverse sector

The diversity of the VCS sector in Barnet was regarded as one of its key strengths, in terms of the range of organisations and the various communities served:

“It is so diverse in function ... there are many, many groups. Thousands.” (large group)

Umbrella groups representing other groups were valued. Participants also flagged that a strength was that people did not always have to go to a “monopoly” VCS supplier of services:

“there is still a choice of organisation for people – but for how long?” (large group)

8.2.1.2 CommUNITY Barnet

There were many very positive comments about CommUNITY Barnet across all the groups. Issues included; professionalism, championing genuine voices, connecting up the sector, the organisation reflects the diversity of the sector and the high quality of the newsletter.

“I’ve been to 3 AGM’s of CommUNITY Barnet. I went to one at the Sangam Centre and you could hardly get in the door. There were a 100 or more people at the last one. It’s gobsmackingly great. There are so many people in Barnet who have this big society ethic. It’s just astounding to me” (small group)

CommUNITY Barnet’s In Barnet directory was highly valued.

8.2.1.3 The relationship with Barnet Council

The relationship between groups and the Council was mostly considered as a weakness/threat (see next section) but groups were keen to see this improve and this was therefore also seen as an opportunity:

“The Council could work with the VCS more constructively to advance the welfare of residents” (medium group)

8.2.2 Shared themes - weaknesses and threats to the VCS sector in Barnet

8.2.2.1 The relationship with Barnet Council

There were strongly expressed views about the nature of the relationship between the VCS sector and the Council. These views were held across all groups:

“The Council needs to demonstrate putting the community first in practice ... (small group)

“The relationship with the Council does not feel like a partnership” (large group)

8.2.2.2 Keeping in touch with the changing priorities of public sector agencies

There was a discussion around the awareness of the priorities of local public sector agencies such as the Police, NHS and Barnet Council. COMMUNITY Barnet’s efforts to help awareness were acknowledged and valued but it was felt that more was needed. All three groups raised practical difficulties in maintaining awareness of these priorities. Two main issues were mentioned. Firstly, the voluntary sector was seen to have a lower profile on key partnership mechanisms than in some other authorities:

“In other local authorities I have been involved with there were huge partnerships arranged. The voluntary sector had representation on those strategic partnerships ... at one table we met with the Police, NHS, Council etc. We knew from the VCS how to implement policies. I see nothing of that in Barnet” (medium group)

“We only have one rep on the Health & Wellbeing Board” (medium group)

Secondly, while there was recognition of the scale of restructuring in each of the public sector agencies, groups highlighted the extra burden on VCS organisations trying to keep abreast of changes. Groups felt that public sector agencies did not appreciate what time and resources VCS organisations could give to keeping themselves updated. The NHS has faced particular change:

“There have been so many changes in the NHS, I get invited to so many meetings ... they expect me to be a policy manager for my service. Stuff is happening but there is a mismatch between how they are trying to disseminate, capture that info and consult with people ... and how much we can really give them. Keeping up with the changes is such a challenge for us” (small group)

There was a desire for public service agencies to communicate changes in innovative and creative ways which reach the right people.

8.2.2.3 Information requirements

Medium and large groups were concerned about the demands placed upon them for performance and financial monitoring information;

“Returns, statistics – it’s like a full time job. It does feel like we have to provide information for information’s sake rather than their being a real purpose. I wouldn’t mind producing them if it was properly explained to us the reason why and what they were going to do with them” (medium group).

“The Council has to be responsible for public money but it feels disproportionate. The detail of data and the amount they are looking for is unreasonable. Everyone knows the concept of more for less and there is a huge requirement to show what you have done. However there is a big cost to this and it isn’t used to clearly inform the next stage of development in the service” (large group)

8.2.3 Differing perspectives

8.2.3.1 Reactive or proactive

The large group felt that the challenging climate produced an unfortunate consequence in making organisations more reactive than they should be.

“We are very reactive. We are responding to what is, as opposed to planning in 10 years in advance ... If the Council could engage with sector over a longer term perspective [it would help]. There will still be a voluntary sector in two, five and ten years. The Council has got a lot of uncertainty but they do know some of the things that will happen. They seem unwilling to share that. They would make better decisions if they listened to us a bit more” (large group)

8.2.3.2 Competition from larger organisations

Smaller groups discussed how difficult they found it to compete with larger organisations:

“Giant organisations get all the funding ... they are at an advantage in preparing bids, with their resources and experience. They can also send people to participate in forums” (small group)

8.2.3.3 CommUNITY Barnet

All three focus groups and especially the smaller organisations valued CommUNITY Barnet. There was recognition that the organisation itself faced funding challenges. Some concerns were expressed however by the medium sized groups that the relationship between CommUNITY Barnet and the Council was too close:

“CommUNITY Barnet used to be working with the voluntary sector for the voluntary sector. Now it working with the Council for the voluntary sector. Now it is definitely in

bed with the Council ... I think this is because they are facing the same funding threats as the rest of us ... and that can't be good" (medium group)

8.2.3.4 Premises

Small and medium groups expressed concern over the premises which they could operate from in the future, both in terms of length of lease and the nature of the short term funding they receive. The small group suggested that an option was explored for shared office space for VCS organisations in a high street shop front to maximise profile.

8.2.4 Gaps in the provision of services which could be met by the sector in Barnet

The three focus groups were asked if they could identify any areas of need where there were gaps in provision of services which the VCS could fill.

Specific suggestions included:

- Welfare benefits for people with mental health problems
- Work for children with disabilities
- Counselling for families with disabilities
- Services which try to combat isolation of elderly people
- Citizens Advice Bureau services (stripped right back)
- Services for stroke survivors; to help young stroke survivors, pain management etc
- Awareness of different refugee services
- Young disengaged people

More general suggestions included:

- Ageing population – the demand for services will rise
- Facilitating networks
- Services which consider a more holistic approach to individuals and communities – often funding is for “single” rather than “multiple” issues
- CommUNITY engagement – the VCS reach into the community is greater than that of the council

Examples were also given of gaps in provision arising from removal of funding.

Groups were keen to have greater opportunities to talk to the Council about gaps in needs.

8.2.5 Areas of duplication of services by the sector in Barnet

There was mixed views on whether there were any areas of duplication of services. Whilst participants felt there was duplication, few examples were given.

The practical difficulties of merging or setting up new organisations to overcome duplication was raised:

“Yes there are areas of duplication. Some organisations have merged but it is very difficult. It can require expert facilitation, mediation and legal advice– which can be very expensive” (medium group)

“It can be very difficult. Each partner has different systems so trying to share confidential data can be very challenging” (large group)

8.2.6 Are the issues faced by the VCS in Barnet different from the rest of London?

Participants were mixed in their views on whether the sector and the challenges it faces were different in Barnet to the rest of London.

Some participants felt that the issues faced by organisations in Barnet were no different from other boroughs.

On the other hand some participants felt that the VCS sector was more organised and stronger in more deprived inner London boroughs.

Finally, some participants returned to the discussion on the size and diversity of the sector in Barnet, and felt this was greater than elsewhere in London:

“Barnet is one of the best for the VCS” (small group)

9 Conclusions and Recommendations

9.1 A Summary of the Sector

Barnet has a large and diverse voluntary and community sector with around 1,400 VCS organisations in the borough, of which 853 are registered charities.

It is clearly wrong to consider Barnet's VCS as a homogenous entity. While nearly 50 organisations have income of over £1 million, the majority of the sector is made up of small organisations. One third have an income of less than £5,000, and seven in ten employ less than ten staff.

The sector provides a wide range of services to communities across the borough, commonly those in the greatest need, with a focus on the young and old and those living in the most deprived areas. Their reach and engagement into these communities is one of their greatest assets and this is only possible through the work of high valued volunteers and staff. Even in the absence of "hard facts" about what each group or organisation is "delivering", it is clear that much good work is being independently done by public-minded people across the borough – with many residents working for no financial reward.

The sector makes a contribution of some £250 million to the economy in Barnet.

The focus groups identified challenges in keeping in touch with the changing priorities of public sector agencies and meeting their performance and financial monitoring requirements. The relationship with the Council in particular was identified as a challenge, but there was a willingness on the part of the sector to try and improve it.

Organisations are faced with increased demand for services and rising costs, at the same time as greater uncertainty about their future. Groups are willing to change and adapt and their commitment to service users and residents was all important, however barriers were identified which make this difficult to do in practice. The focus groups highlighted the fragile nature of the sector while at the same time displaying a reasonable degree of optimism. This reflected their determination and resilience to continue to provide services to communities despite challenging times.

9.2 Barnet's Challenges

Barnet is facing a number of very significant challenges over the next few years. As a result of the current austerity measures it has been estimated by Barnet Council that the local public sector as a whole will need to save £185m from its revenue budget by 2020¹¹. It is clear that there will be significantly less state support for vulnerable people locally from all the statutory agencies. We know that central government expects the voluntary sector to step into the gap

¹¹ Barnet Council, 18 November 2013. "Barnet Priorities and Spending Review" in the report pack for the Barnet Partnership Board. www.barnet.gov.uk

left by the state; it is not clear that is entirely possible but what we do know is that local charities are strongly committed to helping those in need.

The recession and rising prices are hitting the working poor in Barnet particularly hard. Over 10% of population are in receipt of Housing or Council Tax Support – and at least 40% of these earn income from work¹².

The Government's Welfare Reform measures are also affecting people who live in the Borough. The average family affected by the Benefit Cap lives in the private sector, has 2 or 3 children and is receiving £85 a week less than they were. 61% of affected households are headed by single female parents and the majority live in the private rental sector¹³. 21.2% of Barnet's children live in poverty, a rate above the English average, and in Colindale this figure stands at 37.5%¹⁴.

In addition, the borough is changing. The population is increasing and there will be 23% more 5-9 year olds and 17% more over 90 year olds in Barnet by 2016 than there were in 2012¹⁵. Leaving aside all other factors, the number of people in Barnet who may need a helping hand will increase due to a simple rise in the numbers of people living locally.

9.3 Recommendations for the VCS

This report has shown that the VCS in Barnet is large and vibrant, but that 70% of organisations are small or micro. It has also shown that all organisations are concerned about their funding, and that the funding landscape has become harder, especially for small charities.

However, the report has also shown that the Barnet VCS is determined to be optimistic about the future and is motivated by its beneficiaries. The sector is more than capable of translating that optimism into a determination to succeed. However, this will include trying new ways of working that may initially feel uncomfortable, as change is always difficult.

The Council, traditionally a significant funder of the local VCS has made it clear that through its new partnership with Capita it will be concentrating on asking the sector to tender to deliver services and that it will largely move away from offering grants.

9.3.1 The 70%: Small and Micro Organisations

The VCS has made it clear that it wants to have a seat at the table with the statutory sector where it matters – when decisions are made. We also know that money follows influence, and that smaller organisations will find it easier to get funding if they are “punching above their weight” politically.

¹² Barnet Council 2013. Welfare Reform First Stat (not published).

¹³ Barnet Council 2013. Welfare Reform First Stat (not published).

¹⁴ Barnet Council 2013. JSNA Briefing 2 - Children and Young People Draft Refresh 2013/14 (not published).

¹⁵ Barnet Council 2011. Joint Strategic Needs Assessment 2011-15. www.barnet.gov.uk

CommUNITY Barnet recommends that smaller organisations come together to form groups designed to speak for a larger number of people than the individual organisations can represent by themselves. Groups that represent a broad and substantial constituency are much more likely to be taken seriously by schools, the NHS, the Police and other statutory bodies. The formation of such groups will also allow people to get used to working together, a distinct advantage when it comes to applying for and jointly delivering paid or funded work.

All organisations, but particularly small and micro ones should take every opportunity to network, collaborate on projects, and find ways of working together in order to share resources and costs. This does not have to involve setting up a formal vehicle. Working together on joint funding bids (tenders and grant applications) will allow organisations to pool their credibility, and go for larger sums of money and bigger projects than they would be able to achieve working alone.

CommUNITY Barnet will be running networking events to facilitate this process. We want to invite smaller organisations to attend in order that they can begin the process of finding people to work with and learning from best practice. Coming together in this way does not have to include the setting up of formal consortia. CommUNITY Barnet can support smaller organisations who want to work together with advice on structures, agreements, and any necessary paperwork.

CommUNITY Barnet encourages smaller organisations, or those that do not want to tender to deliver statutory services, to explore new and different ways of generating income. Ways that we can currently help members include:

- Signing up for the CommUNITY Barnet fundraising coaching service.
- Attending the CommUNITY Barnet fundraising master classes.
- Taking advantage of the CommUNITY Barnet Development Officer's expertise in supporting small charities with business planning, and attending the range of training courses we run to help you extend your reach.
- Listening to members about how we can continue to support you to generate alternative sources of income.

We also recommend that smaller organisations explore other sources of support, in particular the resources offered by the London Voluntary Service Council (LVSC), the National Council for Voluntary Organisations (NCVO) and The Foundation for Social Improvement (the FSI).

9.3.2 The 30%: Larger Organisations

The report has demonstrated some VCS exasperation with the statutory sector, but also a willingness to improve the relationship with agencies such as the NHS and the Council.

CommUNITY Barnet has been working with Capita, who now run the Council's procurements, in order to improve that process for the local VCS. This work started with an opportunity for the local sector to feed back on their issues and difficulties around tendering for statutory sector business, and we will continue to deliver opportunities for the sector in this area. We

would urge all interested organisations – both those who feel ready to bid and those who would like to – to take full advantage of upcoming opportunities to skill up and bid for work. We will continue to work with Capita on this and members can of course take what they learn to tender for business from the NHS, central government, the private sector, housing associations and other commissioning bodies.

We recommend that the VCS takes on board that the statutory sector is facing an uncertain future, and its staff are experiencing difficult changes. The VCS should be more assertive with the statutory sector – for example stop its staff attending meetings that give their organisations no benefit.

Larger organisations should also network and come together in order to increase their influence and ability to bid for work and apply for grants. Working with smaller organisations will help them to increase their reach into the community. CommUNITY Barnet will be running networking events to facilitate this and we would like to invite our larger members to attend and take advantage of the opportunities they offer.

9.4 Recommendations for the Statutory Sector

9.4.1 General

As the VCS cannot be seen as a homogenous entity, we recommend the Council recognise the sector's independence as one of the core principles of the local Charter or compact with the local voluntary and community sector.

9.4.2 The 70%: Small and Micro Organisations

It is clear from the report that the majority of the VCS in Barnet is not large enough to rely on winning public sector contracts in order to survive. There will be some organisations within this group that will want to develop in order to do so, but there will be others that either cannot or choose not to.

It is also clear that given the sheer number of organisations in Barnet, the statutory sector would not be able to put out enough tenders to support the entire VCS financially, even if they were all awarded to local organisations and consortia.

The question is then what, if anything, does the statutory sector want to do to support small and micro organisations in the VCS, particularly via the local infrastructure organisation. Options could include:

1. Supporting the development of a local scheme that encourages all parts of the borough (VCS, statutory, private sector and individual residents) to donate money, time and resources where they are needed in the borough
2. Continuing to supply some grants to small organisations, perhaps by combining funds from several agencies into one pot, ensuring that the application process is simple, efficient and relatively fast.

3. Actively seeking out and growing organisations that have the capability and the ambition to scale up to deliver public sector services (see above).
4. Helping the VCS find ways of increasing the amount of money available from other, non-statutory sources, such as the private sector.
5. Finding other ways of helping the sector to help itself – for instance by making cheap premises available and/or sharing intelligence and data to help the VCS evidence need when fundraising.
6. Supporting the local sector to collaborate on income generation, representation to the statutory sector, and on necessary projects.
7. Upskilling the local sector in fundraising and income generation (other than tendering for contracts).

9.4.3 The 30%: Delivering Public Service Contracts

As 30% of the local sector employs more than 10 staff, we can guesstimate that out of the 854 registered charities listed by the Charity Commission as operating in Barnet, there are approximately 256 who might be large enough to undertake a tendering process to deliver public services. Of those who could definitely take part, there are only 47 registered charities with an income of over £1m and who are therefore likely to be able to resource the process.

It is widely known that small and medium sized organisations, whether private sector or not for profit, find formal public sector procurement processes dispiriting, labour intensive and time consuming. This is also an issue for public sector commissioners¹⁶. The problem is not always solved by the formation of consortia. Consortia sometimes do not address the real problems experienced by small organisations - a lack of time, expertise and money.

As things stand and as a whole, the local voluntary and community sector (VCS) in Barnet is likely to lose out to large, well-funded national charities and private organisations who do have experience, time and the funds to engage successfully in the procurement process. However, it is clear from this report that at least some of the Barnet VCS wants to engage with the statutory sector and tender to deliver services.

We therefore recommend that the NHS, the Council and other statutory and public bodies such as Barnet Homes actively support bids from local VCS organisations rather than awarding contracts based mostly or entirely upon price, and make this clear to the sector. A more consistent use of the 'social value' duty to assess tender submissions would introduce both standardisation and transparency into the process. If our local organisations believe they have a fighting chance against better resourced and more experienced organisations they may be more inclined to spend the time, effort and money involved in pitching for public sector business, either singly or as consortia.

We also recommend that smaller contracts, up to a value of £25,000 have a process that is no more onerous than completing a Big Lottery "Awards for All" application, and that this is

¹⁶ See HM Government Consultation Document "Making public sector procurement more accessible to SMEs" and The Director Magazine http://www.director.co.uk/MAGAZINE/2008/3%20March/procurement_61_8.html

well publicised. Larger procurement processes should be simplified. The desired outcomes described in Invitation to Tenders (ITTs) and the questions asked in the tender submission should be clearly related to one another. It would be helpful if the Prequalification Questionnaire (PQQ) process and status could also be included as part of this work.

We recommend that statutory sector commissioners run training courses for local organisations on what they are looking for when they evaluate bids as this is often not clear, particularly to organisations that have either not tendered before, or who do not have a successful track record of doing so. This will help the local sector “put its best foot forward” against larger national organisations who are well versed in winning contracts.

This report has shown that some VCS organisations agree to targets in contracts they do not believe they can meet in order to win the funding they need to continue their work – this is often because the sector have a better understanding of the issues encountered in service delivery than the commissioners of the service.

This could be ameliorated if statutory sector commissioners involved local VCS organisations early in the commissioning process in order to help shape the design of tenders. Full and frank discussions about what it is possible to deliver for the budget available would be a vital part of this process, together with continued dialogue about any difficulties or indeed successes in service delivery. This does mean developing a strong relationship between the commissioner and the provider.

It is also clear that although VCS organisations sit on various statutory sector boards, the VCS wants closer engagement with the statutory sector where it matters – when it’s making strategic and operational decisions. The report makes it clear that simply attending statutory sector meetings is not enough. The current system isn’t working for the local third sector and needs to be discussed with them. The discussion should include what the statutory sector expects in terms of VCS involvement and conduct.

The sector has also made it clear it would find it helpful to have information on the statutory sector’s longer term plans. The statutory sector could and should make this available; CommUNITY Barnet represents the VCS at some strategic meetings such as Partnership Boards and can and does disseminate such information to its members. Going forwards, CommUNITY Barnet wants to encourage sector leaders to also attend such meetings in order to represent their parts of the sector and their beneficiaries.

Lastly, it is clear that some find current contract monitoring arrangements burdensome and the reasons for submitting certain data opaque. We recommend that all statutory agencies contracting out services to VCS organisations undertake a review of current practice with their VCS suppliers. CommUNITY Barnet welcomes the fact that Capita have already started to investigate this on behalf of Barnet Council.